

Solons Approve Sales Tax; Vote Date in Question

By Wendell Webb, Managing Editor, The Statesman

Admitting that nothing is certain but death and more taxes, there certainly was every indication today that tonight's moon, if any, would find the 1947 Oregon legislature on its collective way home.

The well-known adjournment fever became evident at the statehouse early Thursday, rose a notch when the house beat down moves to consider one-tabled bills and settled in to stay at a high pitch when the senate, with surprising speed, stamped final approval 21 to 6 to the measure for a referendum on the sales tax.

The senate also passed house-approved measures providing for boosted income tax exemptions if the sales tax is ratified at referendum, lowered exemptions if it is defeated, and for a 1 per cent withholding tax on salaries. All these measures, however, were amended to some extent and compromises are expected to be worked out today.

A compromise also will be necessitated on the election date for the sales tax, the house having voted for June 24 and the senate for November 4.

The house completed its Thursday calendar in mid-afternoon, but the senate - wading through the heaviest legislation it has faced this session - carried on until 10:35 last night.

Major legislation action finished by the senate Thursday - in addition to all-but-final action on tax measures - included that on house-approved measures:

1 - Requiring counties to levy up to 4 1/2 mills in property tax for public welfare, or whatever below that amount is needed to meet their demands (26-2).

2 - Repealing the proposed constitutional amendment to limit presidential tenure to two terms (25-3).

3 - Allowing state acceptance of the \$6,000,000 Klamath Falls marine barracks, and appropriating \$620,000 for its use as a school for vocational education (24-4).

4 - Voiding the transfers of property belonging to recipients of old-age pensions, if such transfers are designed to avoid state claims to recovery (19-6).

Community Property Law Repealed by Senate

Re-passed with house amendments, thus ending the issues, were measures (1) making Oregon a community property state; (2) discouraging discrimination in hiring as to race, color, ancestry, sex or union membership; (3) broadening the powers of the state fish commission.

Major final actions taken by the house Thursday included passage of senate-approved measures:

1. Authorizing construction of a \$750,000 office building for the state highway commission in Salem.

2. Providing for an interim committee to study salaries of county officers.

3. Asking the federal government to retain the war assets administration office in Portland.

4. Making a rural school district law operative next January 1.

Defeated in the senate was the house-approved measure to license and tax bookmaking on races.

Defeated in the house were proposals to repeal the rural school district law; require assessors to meet certain specifications, and levy a 30 per cent tax on slot machine receipts to raise an estimated \$4,000,000 a year.

The latter proposal reached the floor with a do-not-pass committee recommendation which was adopted 29 to 26.

The vote came after Reps. Giles French and Henry Semon, who contended such devices would continue operating regardless of law and that it was unfair to raise revenue from property and income levies without taxing "racketeers," and after Reps. Stanhope Pier and J. E. Bennett declared the bill constituted the "semi-legalizing" of gambling and "surrender to the racketeers."

Surviving an attack in the senate and sent to the house was the measure appropriating \$18,125 for continuance of the Willamette river basin commission, defended by Sen. Douglas McKay as vitally necessary.

Pushing through the senate and going to the house was a resolution providing for an interim committee to study gambling, with a view to recommending control, suppression or taxing.

The senate Thursday also upheld Gov. Earl Snel's veto of the measure providing for the state acquisition of Camp White for hospital use. The vote was 15 to 13, with 20 needed to override.

The joint ways and means committee estimated the session will cost \$395,000, providing it closes tonight, including allowances for interim committees, legislative lounges and other incidentals - or \$4817 a day. Cost of the last session - 69 days and a record at that time - was \$232,000, of \$3347 a day.

More than four carloads of paper have been used for legislative calendars and measures since start of the current session last January 13.

Today - the 82nd and probably the last of the session - finds the senate with 18 and the house with six measures up for final passage. Calendars Not Indicative

But the calendar is not particularly indicative of the work ahead. Moves for reconsideration of bills already passed or defeated are deemed certain to be made.

On the schedule for the house are senate-approved bills providing for statutes of Oregon pioneers in statutory hall in Washington, and making constables appointive instead of elective.

Set for final action in the senate are measures liberalizing rules for absentee ballots; letting dispensers of game licenses change and retain an extra 25 cents for handling; allowing counties to help finance buildings for veterans, and permitting issuance of bonds to finance a state-wide reforestation program.

Both the senate and house will resume at 10 a. m. for perhaps their final meeting of 1947.

Sales tax story on page 2; Legis. action on page 6.

U.S. Eyes Seizure Of Phones

By Charles A. Stryker

WASHINGTON, April 3-(AP)-President Truman tonight considered intervening to prevent a nationwide telephone strike which union leaders described as seemingly "inevitable."

Mr. Truman told a news conference he is investigating to determine whether he has authority to seize the industry.

Mr. Truman's seizure powers under the Smith-Connally labor disputes act expired last December 31. However, some officials are studying the federal communications act, in the belief that it may permit seizure.

Federal Power Doubled

Secretary of Labor Schwelb said he may ask Attorney General Clark for a ruling on the government's powers.

He informed newsmen, however, he probably will wait until Saturday before making such a request, because experience has shown "they never start talking seriously until the last 24 hours."

John J. Moran, chairman of the National Federation of Telephone Workers, told reporters: "If they (the government) seized the telephone industry, and there's a law against striking, we'll obey the law. But I don't know of any law which gives them the power."

Little Hope for New Law

All concerned conceded that the negotiations are in a stalemate, and J. A. Beirne, NFWW president, today managed top telephone company officials that "the apparent lack of collective bargaining" indicates "that a strike is inevitable."

A bill to authorize the president to obtain injunctions against strikes in key communications and transport industries was approved by the house labor committee 16 to 3 yesterday. But hopes have been abandoned for getting it through congress before Monday's 6 a. m. (local time) strike deadline - less than four days off.

Beirne said that in event of a strike emergency telephone service will be furnished by the unions to police, fire departments, hospitals "and other services vital to the preservation of life and safety."

But he said this policy will continue only "as long as management of the respective companies makes no attempt to assign management personnel to the performance of non-management duties."

The union demands \$12 weekly pay increases and other contract revisions.

Loggin Jobs Break Record

Oregon's part in the national effort to provide material for pressing housing needs is reflected in an employment analysis which shows that February employment in lumber and logging plants broke all off-season records in the state.

The state unemployment compensation commission announced yesterday that 59,000 logging and lumber workers on payrolls in mid-February exceeded the former high of 57,000 such workers employed during February, 1942, and the 10-year average for February of 46,000 workers.

The commission's special analysis noted that, although present employment is 6,000 less than the post-war high of August, 1946, employment, the seasonal decline is considerably lower than usual. The report ascribed this condition to the unprecedented demand for wood products and the moderate winter weather.

Previously a company superintendent who testified before the subcommittee revealed that some of the workers trapped in the mine telephoned to the main shaft for aid immediately after the explosion.

Truman Discounts Red Party Danger

WASHINGTON, April 3-(AP)-Individual communists in government posts are a menace in the eyes of President Truman but not a political force is not a danger to the nation.

That was the explanation the president gave to his news conference today of a letter he wrote to George H. Earle, jr., on February 28 saying that "I am of the opinion that the country is perfectly safe so far as communism is concerned - we have too many sane people."

BOISE SECOND SAFEST

CHICAGO, April 3-(AP)-Boise, Ida., tied with Watertown, N. Y., today for second place among cities in the 25,000-50,000 population class in the 1946 national traffic safety contest conducted by the national safety council.

Lewis Flays Krug For Mine Closure

Where Blast Killed Miners

CENTRALIA, Ill., April 3-(AP)-In Centralia mine No. 5, where 111 coal miners lost their lives March 25, Roy Cappa, U. S. bureau of mines safety instructor, views an overturned car. This first interior scene of the mine was made by Ralph Walters, Chicago Times photographer, who was chosen by lot. (AP Wirephoto to The Statesman).



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Order Says 518 Dangerous; Truman Says No 'Removal'

WASHINGTON, April 3-(AP)-Five hundred eighteen mines producing 26 per cent of the nation's soft coal were closed as "dangerous" by Secretary of the Interior Krug today, and John L. Lewis called the action "a despicable confession."

Lewis indicated his miners will go back to work in the others Monday morning at the end of their "mourning" layoff for the 171 victims of the Centralia, Ill., explosion.

But he shouted new demands for the ouster, declaring Krug should have acted sooner and roasting him as a "scheming, designing politician faithless to his trust."

President Truman quickly and vigorously defended the cabinet officer. He told his news conference Krug is an efficient public official and he had not even considered removing him.

Krug shut down the mines, sprawling over at least 19 states, just as Lewis, before a house labor or sub-committee, demanded more rigid safety laws and got support from several congressmen.

He also won support for a proposal that congress return the \$700,000 fine paid by the United Mine Workers for contempt of court. He suggested that the money be used to aid the widows and orphans of victims of two mine disasters.

The 518 mines which Krug closed produce 616,000 tons of bituminous coal a day and employ 102,999 men, according to William J. Dougherty, spokesman for the solid fuels administration.

Defending his order of the "mourning" shutdown, Lewis said it was necessary to "attract attention" - to get congress and Krug to act.

CENTRALIA, Ill., April 3-(AP)-Secretary of the Interior Krug reported today that a federal inspection made less than a week before the Centralia coal mine explosion in which 111 died March 25 showed "no imminent danger."

Krug, federal coal mines administrator, submitted a preliminary report to a U. S. senate subcommittee which began a federal investigation of the tragedy here today.

Previously a company superintendent who testified before the subcommittee revealed that some of the workers trapped in the mine telephoned to the main shaft for aid immediately after the explosion.

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Nips Told To Start Paying

WASHINGTON, April 3-(AP)-The United States jammed through an order for an immediate start on reparations from Japan today in the face of protests from some other members of the 11-nation far eastern commission.

A diplomatic official said the action - taken to benefit China and other war-torn lands - drew protests from Russian, French, Indian and Australian representatives at a commission meeting.

It was the first time the United States has resorted to such drastic action. In doing so, it was said to have been supported by New Zealand, Canada, China, The Netherlands and the Philippines.

Great Britain steered clear of the dispute.

MacArthur Gets Order

The maneuver was accomplished by a commission meeting today when the United States issued an "interim directive" to Gen. Douglas MacArthur, supreme Allied commander for Japan, telling him to put the plan into effect immediately.

Under commission rules the directive is subject to later commission review, but it cannot be changed unless the U. S. as one of the "veto powers" agrees.

This development came to light when the state department released a text of a statement given by Gen. Frank R. McCoy, U. S. member of the commission, at a closed session today.

Philippines, China Benefit

McCoy told the commission that on February 13 the U. S. government submitted the proposal, to make a start on taking reparations, to the commission and advised it that the U. S. considered the plan an "urgent first move in getting reparations removals started."

He pointed out that the start of actual reparations removals from Japan has now been delayed for over a year.

McCoy then announced the U. S. decision to send the "interim directive" to MacArthur.

This program is designed to give, China, The Netherlands, Britain, and the Philippines a certain percentage of available industrial reparations from Japan immediately for relief purposes.

U. S. Not to Share

Reparations going to The Netherlands are destined for the East Indies; those for Great Britain are for Burma, Malaya and British colonial possessions in the Far East.

China will receive 15 per cent of reparations already declared available; the Philippines will get 5 per cent; The Netherlands 5 per cent and Britain 5 per cent.

McCoy said the United States will receive nothing for itself under this program and emphasized that the percentages assigned to the four countries do not "prejudice their own or any other country's interest in final national percentage shares of Japanese reparations."

Another construction project may be additional compressor units at Tualatin, and Portland to increase carrying capacity of the high pressure main serving Willamette valley points.

Fireworks Plant Blaze Toll at 12

CLINTON, Mo., April 3-(AP)-The raging fire that swept through the Brown Fireworks factory, leveling the one-story frame building and burning to death 10 employees, claimed two more lives today.

Mrs. Morton Johnson, 51, and Mrs. Hazel Shepard, 28, died this morning from burns, bringing to 12 the number dead from the blaze that followed an explosion at the plant about 2:30 p.m. yesterday.

Ten of the 28 workers making toy Fourth of July buzz bombs were killed outright. Two of the three remaining injured are in critical condition.

County Heads View Progress on Ferry

Members of Marion and Yamhill county courts Thursday inspected progress of the new Wheatland ferry, which is being constructed at the ferry site.

Judge Grant Murphy and Commissioners Roy Rice and Ed Rogers of Marion county pointed out new features of the ferry to Judge H. M. Hoskins and Commissioners Homer Ross and Albert Youngberg of Yamhill county. The ferry is expected to be completed in about two months, according to Ted McKenzie, county construction foreman.

Weather

Salem Max. 52 Min. 40 Precip. .07

Portland Max. 51 Min. 39 Precip. .01

San Francisco Max. 53 Min. 47 Precip. .00

Chicago Max. 54 Min. 38 Precip. trace

New York Max. 55 Min. 40 Precip. .00

Willamette river 6.8 feet.

FORECAST (from U.S. weather bureau, McNary field, Salem): Generally cloudy with light rain showers today and tonight. Highest temperature today 57. Lowest tonight 42.

Showers in Store For Easter Hats

Milady's Easter bonnet will have more than frills upon it Sunday morning if the weather bureau is correct. It also will be dripping wet.

Moist weather conditions are forecast for west of the Cascades in Oregon tomorrow and Sunday by the McNary field U. S. weather station. Weekend snow is predicted east of the mountains.

Crack Zephyr Crashes at 75 mph; 1 Dead

CHICAGO, April 3-(AP)-One person was reported killed and 33 injured, eight of them seriously - when the Burlington railroad's speeding Twin City Zephyr was derailed tonight in suburban Downer's Grove by a tractor that fell from a passing freight.

The eastbound Zephyr passenger train, which a railroad spokesman said ordinarily passes through Downer's Grove at 75 miles an hour, is of modern, stainless steel construction, and an observer said the structural strength of the cars apparently held down the number of dead.

A reporter said that none of the eight cars in the train was damaged badly.

John Albrecht, Du Page county sheriff, gave this account of the accident:

As the Zephyr, going east to Chicago, where it was due at 11 p.m. (CST), was pulling past a westbound freight a large farm tractor fell off the freight directly in the path of the Zephyr.

The coupling between the engine of the Zephyr and the train snapped. The first two cars careened against the west corner of the brick Downer's Grove station in a shower of masonry. The engine, Clarence Thurston, was wedged in his cab and had to be cut out.

The next two cars were derailed but remained upright. The engine blocked three sets of tracks.

Senate Denies Rereferral of Nomination

WASHINGTON, April 3-(AP)-David E. Lilienthal, President Truman's choice for chairman of the atomic energy commission, scored a major victory today when the senate refused, 52 to 38, to send his nomination back to committee for an FBI check.

This was widely interpreted as meaning that the senate will vote for Lilienthal when a final vote comes, perhaps next week.

Senators Vandenberg (R-Mich) and Taft (R-Ohio), sometimes regarded as the "big two" among senate republicans, split on the issue. Taft supported the recomittal motion.

The senate had agreed in advance to recess until Monday if the motion lost.

Voting to recommit were 31 republicans and 7 democrats, while the victorious side included 18 republicans and 24 democrats.

It was a bitter defeat for Senator McKellar (D-Tenn), who has been fighting Lilienthal at every opportunity for years.

The roll call included: Republicans against recommitment - Morse, (Senator) Cordon was absent, as chairman of the committee investigating the mine disaster.

Added Daily Set, Portland

PORTLAND, Ore., April 3-(AP)-Sheldon F. Sackett, Coos Bay, Ore., newspaper publisher who recently moved into the Seattle and Vancouver, Wash., fields, tonight announced intention to start a daily newspaper in Portland also.

It would be the third daily in Portland.

Sackett announced purchase of the Metropolitan Printing company here for approximately \$1,000,000. Its printing facilities will be used to change his recent acquired Portland Sun from a weekly to a daily, he said. He added that the change-over would not come for several months.

Sackett said ex-Sen. Hugh Mitchell of Washington had agreed to become editorial director of the Sackett newspapers.

Truman Sees 'Trend'

WASHINGTON, April 3-(AP)-A leading President Truman today interpreted the triumph of democratic Martin Kennelly in the Chicago mayoral election as the beginning of a trend to the democrats.

IT SEEMS TO ME

By Charles A. Stryker

The senate passed with but six dissenting votes an amended bill levying a sales tax. Accompanying legislation will refer the measure to a vote of the people in either June or November, 1947. Differences between house and senate versions will be ironed out by conference committee.

One-sixth would go to counties. One-sixth would go to incorporated cities.

One-sixth would go to schools. One-sixth would go for public welfare.

Two-sixths would go into the state general fund.

Actually though there are hedges on all the "sixths" except the last. The amount going to counties and cities and school districts must be used to offset property taxes. Thus half the proceeds go to the relief of the general property taxpayer.

The sixth which is tagged for public welfare does not go to supplement the grants to the aged and the destitute. It goes into a "reserve fund" to be used only if the liquor revenues do not equal the amounts appropriated from them for public relief.

Likewise the first \$12,000,000 of the one-sixth allotted to schools goes into a "basic school reserve account" - a reserve to be drawn on when proceeds of income taxes do not prove sufficient to take care of the basic school support fund voted last November.

That in brief is the bill. The voters can take it or leave it at election time.

The debate in the senate over the bill was mild. There was good reason for that. Arguments for and against the sales tax have been rehearsed so many times.

(Continued on Editorial Page)

Britain Avers Russian Veto 'Strangling'

LAKE SUCCESS, N. Y., April 3-(AP)-Britain declared today that soviet Russia "strangled" the majority will of the United Nations security council by vetoing a British resolution censuring Albania in the Corfu channel mine case.

This accusation touched off once more a lively battle over the veto right of the five great powers, and that argument temporarily eclipsed the Albanian-British dispute.

Andre A. Gromyko, soviet deputy foreign minister, who has invoked nine of the ten vetoes Russia has cast in the United Nations security council, listened calmly to Cadogan. Then he joined with Dr. Oscar Lange, of Poland, in calling Cadogan "out of order" for throwing the veto issue into the Albanian case.

The current dispute arose over mine damage to two British destroyers close to the Albanian shores in Corfu channel, which caused the deaths of 44 British sailors last Oct. 22. Cadogan said direct negotiations with Albania for apology and compensation had failed. The council was given the case on January 10, and seven of the 11 delegates voted for a watered-down resolution which held that the mines could not have been laid without the knowledge of Albania.

Linn to Slash Aid to Needy

ALBANY, April 3-(AP)-Small allotments for Linn county's 700 welfare recipients will be given until June 30, in a drastic attempt to eke out general assistance funds, Mrs. Ruth Marsters said today.

The county public welfare administration said the move was unavoidable after the county court refused to grant extra money.

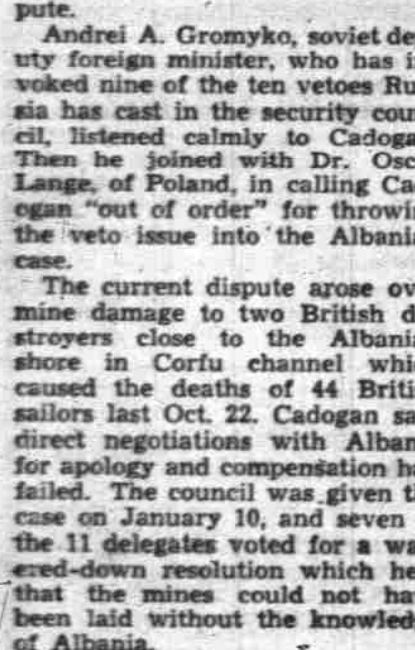
Salem Firm Bids Low On River Bank Work

Low bidder on a proposal to extend the Bauer Lane revetment of the Willamette river north of Eugene and to build bank protection was Robbins and Webb of Salem, the army engineers announced Thursday at Portland, according to Associated Press.

The firm's bid was \$25,377.50, higher by \$1458.12 than government estimates.

Animal Crackers

By WARREN GOODRICH



"You ran out of names? We ran out of numbers!"

Aid for Greece Has Approval; U. N. May Halt

WASHINGTON, April 3-(AP)-The senate foreign relations committee stamped 13 to 0 approval on President Truman's Greek and Turkish aid program today after tacking on an amendment giving the UN restricted power to halt the program.

It was the first big test of the proposal to bolster the two Mediterranean countries against communism by granting them \$400,000,000 worth of financial and limited military aid.

A senate vote may come next week. Meantime, an Associated Press survey showed a majority of the house foreign affairs committee also favors passage.

The senate committee approved a modified version of an amendment written by its chairman, Senator Vandenberg (R-Mich).

This new version, worked out after consultation with the under secretary of state, Dean Acheson, reads:

"The president is directed to withdraw any or all aid authorized herein under any of the following circumstances:

(1) If requested by the governments of Greece and Turkey, respectively, representing a majority of the people of either such nation;

(2) If the president is officially notified by the United Nations that the security council finds (with respect to which findings the United States waives the exercise of the veto) or that the general assembly finds that action taken or assistance furnished by the United Nations makes the continuance of such assistance unnecessary or undesirable;

(3) If the president finds that any purposes of the act have been substantially accomplished by the action of any other intergovernmental organizations or finds that the purposes of the act are incapable of satisfactory accomplishment."

County Welfare Policy Revision Set for Today

The Marion county welfare commission will meet today at 1:30 p.m. to discuss a new policy in welfare benefits as the result of changes in state matching fund policies, County Judge Grant Murphy said yesterday.

Usually the commission meets the third Monday of the month, but the advance meeting was called to iron out the problems caused by the 20 per cent reduction of state matching funds for general assistance from \$15,000 to \$12,000 per month, Murphy explained.

The county welfare program is divided into assistance for the blind, dependent children, persons over 65 years of age and general assistance. Under the new matching plans the general assistance fund receives more from the state and the other less.

During the month of March the county paid out \$22,393 for general assistance, but with the new plan the county would have paid only \$19,654, or a reduction of 12.2 per cent, with a saving of over \$2000 to the county, Judge Murphy declared. Thus a new policy of benefits is needed and will be worked out today, Murphy indicated.