

Court Rule Backing Legality of Opinion Claimed Necessary

Personal and corporation income tax surpluses amounting to \$35,000,000 can be placed in the state general fund, now facing a deficit of more than \$7,000,000, Attorney General George Neuner held in an opinion here Thursday.

IT SEEMS TO ME

By Charles A. Sprague

It is seldom that cities the size of Salem get to see presidential candidates "in the flesh," at least in the primary campaigns. But today candidate Harold E. Stassen arrives in Salem to begin a four-day stay in the state and follow a schedule that calls for stops at many of the smaller communities as well as the major cities of the valley, plus an over-the-mountains hop to Bend on Saturday.

Stassen has been building up strength in the year that he has devoted himself to the task of selling himself and his ideas as a candidate to the republicans. He has been forthright in his discussions of public questions, has challenged men in high station, and has seemed to grow in stature as a political leader with the result that he has grown in public favor.

For what they are worth the polls show that Stassen has a very large following among those whose names are attached to the presidency. David Lawrence commented in his column the other night on his strong showing in a late poll in which Stassen was pitted against Truman, which indicated Stassen's strength against the probable democratic nominee.

There is reason for this strength. Stassen is young and clean and vigorous. He is a man of conviction and with frankness in stating his conviction. His ideas of government are well balanced. He is by no means a radical, yet he believes firmly that the republican party must be ready to adopt new policies to meet new conditions. Stassen was a firm believer in American participation in world affairs while governor of Minnesota, following closely the program of the late Wendell Willkie whom he helped to nominate in 1940. He now favors aid to help western Europe restore its economic life.

Oregon welcomes Stassen. I am sure that he will win many new friends on the occasion of this generous visit.

Army Reserve Project Given to Salem Contractor

Renovation of three quonset huts at the army reserve's local training site near 25th and Lee streets will be done by William Malotte Smith, Salem contractor, who was awarded a contract on a bid of \$2,566 for the job.

The contract was awarded by the vicinity maintenance engineer's office at Ft. Lewis, Wash., with stipulation the work is to begin within 30 days.

Interiors of the huts will be repaired and painted, new windows added, small porches added, doors rehung and outside lights installed.

Bruises Incurred as Auto Strikes Train

BRUSH CREEK—Mrs. C. B. Lewis incurred severe bruises and the family car was considerably damaged Tuesday night when it struck a train as Mrs. Lewis started to turn from the highway to cross the railroad track and enter her own lane.

Animal Crackers

By WARREN GOODRICH



"Yes, Grandfather had aged quite a bit when that photo was taken."

Leslie Scott said a court decision would be necessary before he can draw money from the tax surplus. He told the Multnomah county Young Republican club that an injunction, mandamus or declaratory judgment will be sought to give him a legal basis for writing warrants against the fund.

The probability of a friendly test suit attacking the validity of the Neuner opinion was indicated by Gov. John Hall at a recent meeting of the board of control. Neuner declared that while income taxes are presumed to be utilized as an offset against property taxes, money which is left over may be transferred to the general fund as "miscellaneous receipts." This money, according to Neuner, may be used only for purposes already authorized by the legislature or the people, by vote, may expend it through initiative method.

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Neuner said the constitution directs the legislature to appropriate money to operate the state and that the legislature appropriated this money but not enough to finance all activities authorized. Because of this, Neuner declared, it would be constitutional to use surpluses to pay for these activities.

Neuner said the fact that the legislature created a \$5,000,000 property tax reduction account precludes any thought that surpluses are supposed to be set aside for future property tax reduction.

"If surplus has not been set aside, and it is my conclusion that it has not, it is available in the general tax collection account. Appropriations made by the 44th legislative assembly (1947 legislation)," Neuner wrote.

"It is my opinion," he continued, "that after all the specific appropriations of excise and income tax collections required by the distribution sections of those two laws have been satisfied, the balance of such collections plus estimated collections for the ensuing year, constitute the surplus or estimated surplus remaining in the state treasury."

Neuner declared that since the state has not levied a property tax since 1940, when only a \$300,000 levy was necessary, the state has lost its base on which to levy further property taxes within the 6 per cent limitation. However, the state tax commission attorneys said, it is unlikely that this question would be considered in any court test.

(Additional details on page 2)

Quake Sways LA Buildings

LOS ANGELES, Feb. 19—(AP)—A sharp earthquake shook the Los Angeles area tonight at 8:21. There were no reports of damage.

At the California institute of technology, Dr. Charles Richter, seismologist, said the tremor was "quite small."

"It was very local and not more than 15 miles or so in area," he said. "It was not capable of doing damage anywhere."

A woman patron of a movie house in downtown Los Angeles suffered a broken ankle when some of the audience rushed outside.

Maintenance crews in the city hall said the 28-story tower swayed with the tremor. Other downtown buildings shook and their windows rattled.

Field Marshal List Sentenced to Life

NUERNBERG, Germany, Feb. 19—(AP)—An American military tribunal today sentenced Field Marshal Wilhelm List to life imprisonment for his acts as German commander in the Balkans.

Seven other high German military leaders also were convicted and sentenced. Two generals were acquitted.

The defendants were accused of being responsible for the killing of an estimated 63,000 hostages in Greece, Yugoslavia and Albania.

'Staggering Plans' for Alaska Projects Due

WASHINGTON, Feb. 19—(AP)—Rep. Crawford (R-Mich.) said today the government is making "staggering plans" to build up Alaska, especially its defenses.

2 Die in Salem Car-Train Wreck

Signalless Rail Crossing Near State Pen Scene of Tragedy

Steel Cost Increase Revealed

CHICAGO, Feb. 19—(AP)—Steel producers hiked prices on an industry-wide front today as many major commodities continued a modest price climb that started last Saturday.

Prices of semi-finished steel were boosted about \$5 a ton, Iron Age, authoritative trade publication, estimated the increase would boost costs \$10,000,000 annually for non-integrated steel processors who buy semi-finished steel outside their own plants.

Only a few steel companies, which process the unfinished steel themselves, have increased prices on their finished product. If the major companies follow suit, the price increase would run into many millions and possibly affect hundreds of products containing steel.

Meanwhile, the upward trend in the commodity markets indicated that the recent general commodity price slump is over, at least momentarily.

Some individual commodities continued to fluctuate sharply, however. Butter took another nosedive in the Chicago and New York wholesale markets. Prices broke 4 to 5 1/2 cents a pound in Chicago to 76 cents—lowest since November. In New York, the price dropped 3 1/2 to 4 1/2 cents.

Louis Mayer Leading U.S. Money Earner

WASHINGTON, Feb. 19—(AP)—Louis B. Mayer, the film magnate, led a treasury listing of top money earners tonight.

The movie industry provided more than two thirds of the 195 persons listed.

Mayer drew \$502,571 from Loew's, Inc. during the 12 months ended August, 1945, the treasury said.

Behind him came Producer Walter Wanger and Actress Deanna Durbin, both of Universal Pictures. He got \$282,900, she drew \$262,875.

In 10th, 11th and 12th place, respectively, were Clark Gable, \$228,687; Robert Montgomery, \$226,333; and Lana Turner, \$226,000.

Highest paid business men outside the movie field were Andrew Jergens and Joseph D. Nelson, executives of the Andrew Jergens company, Cincinnati. They tied for sixth place, each with \$5,000 salary—plus \$250,000 "commission."

Children Escape as Portland Church Burns

PORTLAND, Feb. 19—(AP)—A Bible class of youngsters marched to safety today just ahead of a \$75,000 fire which destroyed the Portland church of Sunnyside Methodist church.

The blaze was believed to have started in the basement, where the children were studying.

Talk Here Today to Start Stassen on Tour of State

Harold E. Stassen of Minnesota, national republican figure who has been a declared candidate for the presidential nomination, will arrive in Salem today to begin a four-day tour of Oregon.

President G. Herbert Smith of the local university will introduce Stassen at the public meeting this morning. The gymnasium will be open to the public at 10 a.m. Only enough seats for Willamette's faculty and law school will be reserved.

Also on the speaker's platform will be Salem Mayor Robert L. Elstrom, Stuart Compton, president of the Willamette student body, and James Collins, law school student president.

The former Minnesota governor's address will be broadcast by Salem's KOCO at 11 a.m. KSLM here will record the address for rebroadcasting at 8 p.m. today.

Stassen will leave Salem immediately following his address for a fast round of receptions at Stayton, Scio, Lebanon and Sweet Home. He will be at the Oregon press conference dinner in Eugene tonight. Bend and Portland are among week-end stops and Woodburn, Silverton, Albany, Brownsville and Corvallis are scheduled for Monday visits by Stassen.



Southern Pacific trainmen and an unidentified man above examine the demolished automobile of Joseph A. Zielinski, 920 Jefferson st., just after it crashed into a moving train at the east State street crossing Thursday night, claiming the lives of Zielinski and Mrs. Mary M. Applin, 275 Hood st. Crossing sign and a freight car at the scene show in background. Mrs. Mathilda Zielinski, widow of the deceased, is in Salem General Hospital. Standing nearest the wrecked auto is Harold Woodruff, 1592 Oak st., fireman; to the left in the background is Matt Bowen, Albany, brakeman, and Milo Graber, Dallas, brakeman. All of the crew of the train involved in the crash. (Statesman photo by Don Dill, Statesman staff photographer.)

Truman Calls For Fight with 'Reactionaries'

WASHINGTON, Feb. 19—(AP)—President Truman called on his party tonight to battle against the "reactionary conservatism" of the "privileged few" in the coming elections.

"This is a year of challenge," he said. "I propose that we meet that challenge head on."

"The people will again decide whether they want the forces of positive, progressive liberalism to continue in office, or whether, in these challenging times, they want to entrust their government to those forces of conservatism which believe in the benefit of the few at the expense of the many."

The president spoke at a Jefferson-Jackson day dinner.

Rent Control Extension Due

WASHINGTON, Feb. 19—(AP)—Rent controls in their present form will be extended through March 31, congress leaders indicated today. A long-term extension providing some increases is slated to be approved before then.

This is the schedule outlined by republican floor managers: 1. The house will pass by next Tuesday its stopgap bill extending the present law which expires February 29. The rules committee cleared it for action today.

2. This measure is due to be completed by the senate before the end of next week without change.

France, Italy Ask Aid Funds Speeded

WASHINGTON, Feb. 19—(AP)—France is telling the U. S. that her dollar supply is running out and she needs \$150,000,000 from this country in a hurry— even before the Marshall plan can go into effect.

And similar, but not quite so urgent, pleas are coming from Italy, The Netherlands and Austria.

Government officials told of these developments today as a high congressional leader said the whole foreign aid situation threatens to become "a threatening circus" unless the senate and house get together.

Morse Claims Public Losing Faith in T-H Act

ITHACA, N. Y., Feb. 19—(AP)—Senator Wayne Morse (R-Ore.) said tonight the American public gradually was becoming convinced the Taft-Hartley labor law would not work.

Morse, speaking at Cornell university law school, urged repeal of the law and adoption of new legislation.

Merger Vote Ruling To Spur Court Fight

Circuit Judge Arlie G. Walker of Polk county Thursday ordered the West Salem city council to conduct an election proposing merger of that Polk county city with Salem.

But merger opponents made it known immediately they are prepared to fight the merger issue in the Polk county circuit court, taking advantage of a provision in alternative mandamus writs served on all West Salem councilmen which allows any of the defendants to "show cause" by March 8 why such an election should not be called.

The merger issue was taken to court for legal interpretation of what constitutes a "common boundary" as specified in a 1947 state law written to allow merger of such across-river cities as Salem and West Salem. Realtor in the mandamus action is Joseph Benjamin, one of the West Salem citizens who signed a petition requesting a merger election be set by the West Salem council.

Position of the two cities and of Marion county's Minto Island between them has caused divided opinion on the presence of a common river boundary.

Councilman Roy Stevens, an opponent to merger, said last night he and other opponents will hire counsel to work with West Salem City Attorney Elmer Cook in preparing a case against the legality of the proposed merger.

"The opposition has been saving its ammunition until the battle really starts," Steven averred.

West Salem Mayor Walter Musgrave, long a staunch supporter of merger, indicated Thursday the issue of further action now rests with the opposition, as failure to file a demurrer by March 8 in the court would obligate the council to set an election. Chester Douglas, another councilman supporting merger, said he has favored settlement of the question of law, but forecasts that the issue will be brought to public vote.

School District Favors Building

UNION HILL, Feb. 19—Election of recently consolidated school district 42-C Wednesday night voted their approval for a new school building estimated at \$55,000 and for additional financing for a site and a well. In the fourth ballot issue the voters approved the former J. O. Darby place as site for the new school.

The school building was approved by vote of 84 in favor and 52 against. On the other three issues the favorable vote was about 2 to 1. The well and site costs were estimated at \$800 each.

Weather

Table with columns: Max., Min., Precip. for Salem, Portland, San Francisco, Chicago, New York, and Willamette river.

SALEM PRECIPITATION (From Sept. 1 to date)

This Year 25.86 Last Year 25.50 Average 86.11

Czech Party Joins Anti-Red Coalition Bloc

PRAGUE, Feb. 19—(AP)—The Czechoslovak social democratic party, linked with communists in the past, voted tonight to join parties fighting communism attempts to run the national front coalition.

A series of emergency meetings brought together right and left wing leaders of the social democratic party. Top men met with President Edouard Benes today.

The decision provides a coalition bloc of 62 per cent in parliament against 38 per cent for the communists. Before the social democrats switched, the communists counted on their support for a 52 per cent leftist margin.

With social democrats support, parliament has enacted so-called "active" and "passive" programs sponsored by the communists.

Growing tension is gripping Czechoslovakia in a pre-election campaign. The date for the election has not been chosen because of the fight among the various parties.

The Catholic peoples party newspaper, Lidova Demokracie, said, "We must not have a fascist state. We cannot have an anarchy of communists."

U. S. Traitors Said Training to Take Over Government

WASHINGTON, Feb. 19—(AP)—George M. Dimitroff, a refugee from reds in Bulgaria, told congress today he is dead certain "American traitors" are being trained in Russia to take over the U. S. government.

"America is communist target number one," he told a house un-American activities subcommittee.

Another witness, James Burnham, expressed the belief that former Vice President Henry Wallace is "an unconscious captive" of the communists.

Burnham, a New York professor who studies political movements, said he meant that Wallace "doesn't know what they are doing and they do."

Democratic Move For Reconciliation Claimed Useless

NEW YORK, Feb. 19—(AP)—Henry Wallace's campaign manager said today Sen. J. Howard McGrath, chairman of the democratic national committee, "might as well cease his invitation to Henry Wallace to return to the democratic party."

The third party political manager, C. B. Baldwin, said he referred to a broadcast last night by McGrath, adding:

"Contrary to Senator McGrath's statement, a large vote will be a progressive vote—a vote for Wallace and not a vote for Harry Truman or any presidential candidate of the bankruptcy republican party."

Students-for-Wallace Campaign Organized

NEW YORK, Feb. 19—(AP)—C. B. Baldwin, campaign manager for Presidential Candidate Henry A. Wallace, announced today the formation of a national students-for-Wallace organizing committee.

Units of the committee already are established on 60 college campuses, Baldwin said, and statewide students-for-Wallace conferences are scheduled for this month and March in several states.

STUDENTS STILL ABSENT

PORTLAND, Feb. 19—(AP)—Influencia again kept about 25 per cent of Portland's school children from classes today, but most of the 115 teachers stricken earlier recovered.

Accident Kills Man, Woman

By Conrad Franze Staff Writer, The Statesman

Two Salem residents were dead within a few minutes Thursday night after their automobile crashed into the locomotive of a moving freight train at the Southern Pacific crossing on east State street near the state prison.

The dead are Joseph A. Zielinski, 65, of 920 Jefferson st., and Mrs. Mary E. Applin, 275 Hood st.

State police investigating the fatal accident said Zielinski apparently was driving the city-bound auto when the collision occurred at 8:13 p.m.

Mrs. Mathilda Zielinski, widow of the dead man and third occupant of the auto, is in Salem general hospital with head and chest injuries. Hospital attendants said her condition was "not serious" early today.

F. A. Bewley, 1798 S. 12th st., engineer of the general freight train which was leaving for Albany, said that as he approached the State street crossing from the south, he saw the car approaching from the east, traveling at a "reasonable rate of speed."

Bewley said he sounded the engine's whistle three times at the car as it approached the crossing, but it continued to approach. The 1939 Chevrolet sedan struck the front of the engine, was glancing blow and was thrown to the west side of the tracks. The auto was demolished.

Bewley said that the train "was going slow" and that when he stopped the engine, its rear drivers were just at the north edge of the highway. A light rain was falling at the time of the accident.

Thursday night's tragedy marks the second accident resulting in fatalities at the signalless crossing within six months. Betsy Rogers, 18, of Salem, was killed and a companion injured last August 29 when the car in which they were riding skidded and crashed into a switch engine at the crossing.

Mrs. Applin died at the scene of last night's accident and Zielinski a few minutes later at Salem general hospital, where he said Mrs. Zielinski was taken by city first aid men.

State police who investigated the crash said that at the time the Zielinski car hit the engine, other motorists were stopped at the west side of the crossing waiting for the train to pass.

Mrs. Applin was taken to the Cough-Barrick funeral home and Zielinski to Howell-Edwards funeral home.

Zielinski, who farmed for many years in the Hazel Green area, retired from farming and moved to Salem several years ago.

The trio in the accident were returning to Salem after attending an Eagles lodge committee dinner.

Meat Packers Vote to Strike

CHICAGO, Feb. 19—(AP)—A strike of more than 100,000 workers at meat packing plants in 28 states was voted today by the CIO United Packinghouse Workers of America.

The union's strike strategy committee, which authorized the walkout after a 20 to one rank and file vote, declined to reveal the strike date.

The union said it is seeking a 29 cents an hour raise now, with additional increases later to meet minimum family budget standards indicated by the bureau of labor statistics.

Ralph Helstein, union president, said two-thirds of the workers earn less than \$1.10 an hour, as compared with the BLS figure of \$1.39 for a family of three.

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