NINETY-SEVENTH YEAR 20 PAGES

The Oregon Statesman, Salem, Oregon, Friday, March 12, 1948

Senate Group Votes Income Tax Cut 10-1 Afford War,

\$4,700,000,000 Reduction Short of House-Voted Plan

WASHINGTON, March 11-(AP)-The senate finance committee voted 10 to 1 tonight to cut income taxes \$4,700,000.000.

posac to hold the tax cut to \$4,-

Then it adopted by a vote of

9 to 3 an amendment by Millikin

which cut the house \$6,500,000,000

The only major change the sen-

ate committee made in the house

measure is in a section setting up

The house bill provides for cuts

ranging from 30 per cent for the

lowest income brackets, 20 per

1. Increase the personal exemp-

figure to \$4,772,600,000.

percentage tax reductions.

10 per cent for the highest.

Both bills also:

Differences Outlined

percentage reductions:

Here are the differences

The house bill would give all

Persons with net incomes be-

Gromyko's Threat

NEW YORK, March 11 -(AP)

The Russian declaration at the

powers dashed American hopes

ish and Arab leaders into the con-

Andrei A. Gromyko, soviet

committee already were well

the final hours before the 5 p.m. election.

Newest gubernatorial aspirant

is John Peyton of route 2, Junc-

tion City, whose republican bal-

lot slogan said he was a disabled

war veteran, farmer and realtor.

Law enforcement, flood control,

liquor control revision, additional

housing and action against sub-

versive elements were listed on

Dr. Louis A. Wood, university

professor at Eugene for 20 years,

filed to oppose Manley J. Wilson

for the democratic nomination

Carrying out previous announ-

cements, Sigfrid Unander of

Portland filed for the republi-

of Woodburn filed for the republican nomination as Marion coun-

deadline today.

his platform.

for U. S. senator.

known. He said he could not take

Russia threatened today to walk

The house already has passed a \$6,500,000,000 tax cut bill. Chairman Millikin (R-Colo) of the senate committee declined to

Shortly before the final ballot, the committee defeated 7 to 6, on a party line vote, a democratic pro-



I think General MacArthur has been listening to bad advice. lowest income, 7.4 per cent for Some of his hero-worshippers or the middle brackets and 5 per some who hope to ride to power cent for the highest. on his epaulettes have taken him Effective Last Jan. 1 up on a political mountain. They have told him the land looks good and is his to possess. MacArthur, effective as of last January 1. both patriotic and ambitious, lets himself be convinced that he is needed as president.

What a strange assortment of dependent to \$600. The present is promoters of the MacArthur pre- \$500. sidential candidacy: the Hearst 2. Permit husbands and wives press, the one-time progressive in all states to split their income governor of Wisconsin, Phil La- for tax purposes. This "commun-Follette, and the Wisconsin sec- ity property" program is in effect retary of state, Fred Zimmerman, now in only 12 states. an old politician, with Col. Mc- Increase Deduction Cormick and the Chicago Tribune 3. Increase the maximum standin the wings ready to lend support and deduction for contributions, if Senator Taft fails to make the medical expense and certain oth-

There are obvious impediments duction now is \$500. to the MacArthur candidacy. In 4. Make the exemption for blind the first place he hasn't set foot in persons \$600, instead of \$500 as continental United States in some at present. 13 years. His time has been spent 5. Give persons 65 or older an entirely in the orient save for a extra \$600 exemption. dent Roosevelt in Hawaii, which was largely a "courtesy call." This absence from the scene

leaves him quite unacquainted with public men, with domestic issues and with European problems. individual income tax payers with Then the general is 68, which a net income of \$1,000 or less, afis pretty late in life to take on ter exemptions and reductions, a responsibilities as heavy as those 30 per cent cut.

of the presidency Finally he is essentially a soldier, a good soldier, to be (Continued on editorial page)

Legislature Race Crowded

At least 10 candidates will seek the republican nomination to Mar- \$136,719.10. ion county's four seats in the house of representatives, it ap-Eight already have entered their

formal filings and it was believed Of Walk Delays probable Rep. Paul Hendricks, as well as John Steelhammer, would Holy Land Talks file prior to tonight's deadline. The eight already in the race

include three incumbents - - W. W. Chadwick. Frank Doerfler and out of four-power talks on Pales-Douglas Yeater; H. R. (Farmer) tine if Jews and Arabs take part. Jones: Ray J. Glatt. Roy Houck, David E. Hoss and Richard third closed session of the four

Arthur L. Davis thus far is alone for conciliation by bringing Jewas a democratic aspirant.

World in Midst of Great Crisis, Marshall States

WASHINGTON, March 11 -(AP) Secretary of State Marshall said part in any Big Four meeting to is Tom Handley, Portland real engineers not to build the roadtonight "the world is in the midst which they were invited. of a great crisis, inflamed by misunderstanding, propaganda, anger and fear."

"At no time has it been so important for cool judgment," he told the Federal Council of

Animal Crackers



Salem Art Association Sells Bush Heirlooms



cent for the middle brackets and A crowd awaits the opening of the doors for the sale of pieces of bric-a-brac and furniture from the Sally Bush home on Mission street Thursday afternoon, in the picture at left above. At the right, The senate bill cuts range from volunteer saleswomen wrap and check pieces sold. Left to right they are Mrs. Lester Barr, Mrs. How-12.6 per cent for those with the ard Cole of Portland and Mrs. Donald Young. The sale, conducted by the Salem Art association, which has purchased the contents of the house from the heirs, will continue today and tomorrow from 2 until 5 e'clock. (Photos by Don Dill, Statesman staff photographer.) (Additional pictures of

Both the senate and house bills provide for making the tax cut Czech Reds Reveal New Suicide tion for each taxpayer and each **British to Lift Tax on U.S. Films**

Compromise Wins Approval er expenses to \$1,000. The top de-Of Hollywood

LONDON, March 11.-(AP)-Hollywood and the British government settled their film tax dispute to-6. Apply the income splitting principle to estate and gift taxes. end the seven-months Hollywood ban on export of new movies to

Harold Wilson, president of the board of trade, announced in the row. I may have some comment house of commons that Britain after that. will withdraw the 75 per cent tax on foreign films that was imposed

last August to save dollars. Motion Picture association of Amtween \$1,000 and \$1,395 would erica, said the agreement makes concessions to Britain's needs to get a 30 to 20 per cent cut, those concessions to Britain's needs to with \$1,395 to \$4,000, a 20 per economize and will be signed cent cut, and those with incomes formally tomorrow. He said the over \$4,000, 20 per cent for the American film industry had apfirst \$4,000 and 10 per cent for proved the compromise.

Actual cancellation of the 75 The senate bill provides for 12.6 per cent reduction on net incomes eign films probably will follow up to \$2,000; 7.4 per cent on inabout April 1 and the first new comes from \$2,000 to \$136,719.10 and 5 per cent on incomes over June 14 for four years and is subject to review after two years.

Portland Woman In Mayoralty Race

PORTLAND, March 11.-(AP)-A woman and a high school history teacher entered Portland's mayoralty race today, and Mayor Earl Riley gave every indication of joining them there tomorrow.

The woman who declared today is Mrs. Dorothy McCullough across McNary dam, now under Lee, city commissioner who had construction in the Columbia rivbeen mentioned as a possible can- er near Umatilla, Ore. The comdeputy foreign minister, said the didate. The history teacher is missioners joined the Washington views of the Jewish agency for Frank Learned, who was original- state highway commission in pro-Palestine and the Arab higher ly proposed by a group of his former co-ed students.

The only other candidate, so far,

Other candidates who filed

George W. Pride (d. Portland, dele-

gate-at-large. Phil Metschan (r), Portland, dele-

gate-at-large. Russell L. Gardner (d), Newport

Carlisle F. Stranahan (r), Tillamook

rep., 3rd. Clyde R. Richardson (r), Portland,

Harvey Wells (r), Portland, rep. 8th. Doris L. Donin (Mrs.) (d), Portland,

ep. 5th.
Joe Wranker (d), Portland, rep., 5th.
Ressell H. Nichols (r), Cascade Locks,

o. Henry Oleen (d), St. Helens, rep.,

Thursday include:

50 Filings Precede Final Avalanche;

Fifty new filings for office | Major announced candidates

were recorded at the statehouse yet to file include Douglas Mc-

veritable avalanche expected in and Sen. Guy Cordon (r), for re-

Portland filed for the republican nomination to the state treasurership; Byron G. Carney of Milwaukie entered his name for the democratic nomination as secretary of state, and Ray Glatt of Woodburn filed for the republicant filed for the state filed for the state for filed filed for the state for filed filed for the republicant filed for the state for filed filed for the state filed filed

Thursday as a prelude to the Kay (r), for the governorship,

Anderson May Seek Senate Post

-Secretary of Agriculture Anderson indicated tonight that he may announce tomorrow whether he will become a candidate for the senate from New Mexico. Questioned with regard to Pres-

ident Truman's statement that he hopes Anderson will remain in the cabinet, he said: "I am going to see him tomor-

est August to save dollars. Eric Johnston, president of the Widening of **Project Near**

PORTLAND, March 11-(AP)-The per cent tax on earnings of for- Oregon state highway commission films should arrive soon after. The of \$657,071.50 by Warren Northagreement will be effective from west Inc., Portland, for widening tioning parliament, with 67 of its 5.33 miles of the Pacific highway between Oregon City and New Era into a four-lane road.

The project was the largest of four referred to engineers with munist - controlled body. the power to award. Six other projects were awarded to contractors. The commission also denied a request from the Oregon Coast association to prohibit overnight trailer camping in state parks and waysides on the Coast highway.

In other action the commission insisted that a roadway be built testing to the public roads administration in Washington, D.C. against a recent decision by army

Ernest R. Fatland (r), Condon, state

Robert L. Melquist (d), Hillsboro,

4th. Dale Morgan Harlan (d), Eugene

rep. 14th.
Paul E. Geddes (r), Roseburg, rep.

15th.
John M. Throne (r), Roseburg, rep.

15th. Jerry M. Wilson (r), Kent. rep. 22nd. Clarence M. Carter (d), La Grande,

rep. 24th. E. W. Kimberling (r), Prairie City,

rep. 30th. Malcolm W. Wilkinson, The Dalles

circuit judge, 7th dist.

Lake M. Bechtell (r), Prineville, district attorney, Crook co.

Mrs. Howard Conlee (r), Moro, pre-

dential elector. Robt, D. Lytle (r), Vale, presidential

Boot. D. Lyte (r), Vale, presidential elector.

William H. Steiwer (r), Fossil, delegate, 2nd dist.

John H. Travis (r), Hood River, delegate, 2nd dist.

L. B. (Sandy) Sandblast (r), Purtland, delegate, 3rd dist.

Lars P. Peterson (r), Coos Bay, delegate, 4th dist.

egate, 4th dist.

Gust Anderson (r), Portland, rep.

Billy Stepp (r), Portland, rep. 5th. Kathleen W. Kivett (r), Baker, rep.

ate, 3rd dist. Doyle F. Pearson, Oswego (s), rep.

6th. Walden Dillard (r), St. Helens, dist

atty. Columbia county.
Lowell Paget (r), Portland, delegate, 3rd dist.
Herman O. Sites (r), rep. 5th.

ses C. Caine (d), Portland, dele-

Gottwald Given Income Tax Aid Full Support Of Parliament

PRAGUE, Czechoslovakia, anti - communist party had committed suicide in a jail cell.

Police said Josef Herot, local secretary of the National Socialist party, took his life after confessing he participated in a plot against the government. Following the communist coup

in Czechoslovakia two weeks ago, the National Socialist party was purged of many old members and changed its name to the Czech Socialist party. Police said Herot's confession involved high officials Herot died as black banners and

tricolors flew at half staff throughout Czechoslovakia in memory of Jan Masaryk, the foreign minister, whose death plunge from his apartment window yesterday remained as big a mystery as ever. Meanwhile, a smoothly func-

members absent, gave Premier Klement Gottwald the go-ahead signal on his communist program and proceeded quickly to reorand proceeded quickly to reorganize the assembly into a com-The parliament began by giv-Thus was approved, in effect,

ing Gottwald a vote of confidence. the program to nationalize every industry and enterprise employing more than 50 persons, to restrict individual land holdings to about 250 acres and distribute the rest to peasants, and cut taxes for workers, small shopkeepers and

Western Europe

BRUSSELS, Belgium, March 11 (AP)- The delegates of Franch, Britain and the Benelux countries expect to put the finishing touches tomorrow to the completed draft of a pact binding them to stands. united action for 50 years. Junction City Man in Governor Race

Except for the approval of two Secretary Bevin and Belgian Premier Paul Henri Spaak of a western European union balancing the eastern bloc is a reality.

'Leave Us Alone Week' To Climax Fund Drives

DOUGLAS, Ga., March 11 -(AP) Merchants in this south Georgia tobacco growing center have officially set aside April 1-8 as leave us alone week."

They acted after counting up the different drives for funds in the past month. These totaled an even dozen.

Weather Min. Precip San Francisco ____ Willamette river 4.1 feet. FORECAST (from U.S. weather bureau, McNary field, Salem): Partly cloudy with a few scattered shower today and tonight. High today 50, low tonight 40.

SALEM PRECIPITATION

(From Sept. 1 to March 12)

Truman Asks Stopgap Aid For Europe, States Faith In World Peace 'Shaken'

Globe Cannot President Says

WASHINGTON, March 11.-(AP) -President Truman declared today that his faith in the attainment of world peace has been somewhat shaken. But he said he still believes that peace can be achieved because the world can not afford the destruction of an-

In one of the most sweeping denunciations he has ever voiced on communism, Mr. Truman also told a news conference that the United States does not want a communist government in China or anywhere else in the world.

ically, the president emphatically zard swept eastward tonight into declared that American policy Ohio and Pennsylvania, racing on does not call for inclusion of any the frigid blasts of one of the communists in the Chinese gov- winter's most severe cold waves.

the world situation in response to days away. series of rapid fire questions from reporters. These began Cars were stalled by the hundviet-communist aggression. The the streets of snowdrifts. president was asked whether that

not need expansion. It is part of choked by drifts, Fremont and the foreign policy of the United Sandusky county schools were States, he explained, and he con- closed because of the heavy snow.

If the recovery program is caried out promptly, he said, it can accomplish the aims (of holding the line against communism) which the Truman doctrine originally set forth.

When the president was asked whether the key word in that remark was the "promptly" he said that was correct.

Office Adds Hours In 'Home Stretch'

Special hours for the "home stretch" of federal income tax Moravskaostrava announced to-night-that an official of a former Lynch, deputy collector of inter nal revenue who is operating an office in a Salem Chamber of Commerce room to aid taxpayers. Lynch said the chamber office,

with "waiting space" will remain open continuously from 8 a. m. to 9 p. m. today, from 8 am. to 5 p. m. Saturday and from 8 a. m. to midnight Monday. The deadline for filing federal income tax re-

turns is Monday midnight. The temporary office is manned by a staff of six during the rush period for filing returns, with the rush about as heavy as last year's but less complicated because more space is available at the chamber, Lynch said. The regular local revenue staff of four will return to its Salem postoffice For GOP Delegate headquarters Tuesday.

Farmers Union Totalitarianism

DENVER, March 11. - (AP) - The National Farmers union today voted down adoption in its 1948 program of a statement against "totalitarianism.' Delegates to the union's nation-

al convention debated for two and a half hours on the proposal before voting it down. The proposal, to take a stand against communism, fascism and other isms Decline in Business of total government, was put up by E. K. Dean of Kansas. Delegates representing 169,022 votes were against the proposal in a roll call vote and delegates with

74.424 votes called for it. Opponents contended the pro-

'Suggestive' Book Barred from Jail

Sheriff Denver Young Thurs-day rejected one of the 50 books offered by Salem Lions club members for the new Marion

county jail library. It was "Saws, Knives and Files" - - a publication of the Simonds Saw & Steel Co. of Fitchburg, Mass.

March Blizzard Leaves States

With respect to China specif- The midwest's worst March bliz-

The snowstorm was seasonally The chief executive discussed unexpected. Spring is only nine It hit Cleveland in full force

when a newsman told the presi- reds there in snow nearly seven dent that a year ago tomorrow he inches deep. An appeal went out proclaimed the Truman doctrine for volunteers at \$1.18 an hour for helping free nations fight so- to help 1,000 city employes clear In other parts of Ohio the snow

policy, first applied to Greece and measured from six to 12 inches. Turkey, should now be expanded. Many highways in the state, par-Mr. Truman said the policy does ticularly the east-west ones, were siders that it is preliminary to the The East Ohio Gas Co. stopped service to 600 industrial users. A freak snowstorm struck Chi-

cago, leaving a blanket a foot deep in some parts of the south side lake front. Swirling snows swept into Pennsylvania from Ohio, moving across the northern section of the state. The snow was expected to spread over all of the state as high winds began to whip it about in drifts.

Six men, snowbound for three days in an isolated oil well shack in central Kansas, made their way to Great Bend, Kas., this afternoon with the help of a farmer and a tractor. An army helicopter had been en route to rescue them

'Look' Signs on Street Corners

There's a "New Look" at several downtown Salem street intersections.

In the belief that pedestrians must share with motorists traffic safety responsibilities, the Salem Lions club safety committee has installed a new series of "look"

The colored signs picture a curvesome girl and the word the state elections bureau. "look" but a directional arrow as a reminder for pedestrians to continue to serve the public inwatch the signals for safety's sake.

dealer, announced Thursday he will be a candidate for election as delegate to the national republican convention in Philadelphia this year. He intends to file to represent the first congressional

connection with a variety of affairs qualify me to represent this tion." Hogg has long been active in local chamber of commerce, long range planning and community chest work.

To Force UP Layoffs

seasonal and general decline in business will force the layoff of 13 per cent of the employes in posed 1948 program made the un- Union Pacific railroad shops here ion's stand for democracy a suffi- Saturday. The railroad said 111 cient pronouncement of where it men would be laid off at that

minor points and the formal signing, the dream of British Foreign Secretary Beyin and Belgian Pre-In Shooting of Ex-Salem Soldier

WASHINGTON, March 11-(AP)-The American commander at Vienna reported today that the Russian sentry who wounded an American soldier used "a rifle bullet of explosive dum dum type." Moreover, Lt. Gen. Geoffrey Keys reported to Washington, the Russian version of the Sunday night shooting was "a complete distortion of facts."

Keyes said the American member of the Vienna inter-allied commission has made a preliminary protest to the Soviet area commander and requested he take action to prevent such incidents. Keyes' report to the army gave

Pfc. Jack Grunden of Portland, Ore., (formerly of Salem) with three Austrian girls, started to pass the Grand hotel where Russian headquarters are located. A Russian soldier with a bandaged head came out, crossed the street and intercepted them. The soldier made a "filthy remark" which was understood by one of the girls.

grabbed him. And during the scuffle, the Russian pulled a pistol and fired it into the air. A Russian sentry posted in

separate them and the Russian

front of the Grand hotel came from across the street armed with a rifle with fixed bayonet. Grunden was thrown to the ground. two other American soldiers and The Russian simply jabbed at him three Austrian girls, started to with the bayonet but did not wound him, then hit him with the rifle butt. Then the sentry shot Grunder

while he was on the ground. An unidentified American doctor and Austrian civilian doctor gave first aid, but at no time dur-

\$55 Million 'Advance' on Aid Requested

By Ed Creagh WASHINGTON, March 11 -(AP) President Truman asked congress today, in the light of recent come munist gains in Europe, for \$55,-000,000 to tide western Europe over until the Marshall plan can be put into effect.

4 Days Worth of Aid

At the same time he said is

was a matter of "extreme urg-

WASHINGTON, March 11. (AP)-The \$55,000,000 asked by President Truman for western Europe today is about enough to last four days - - at the Marshall plan rate of spending. The Marshall plan calls for the spending of about \$14,500,-

The \$55,000,000, however, is intended only for stopgap pur-poses while the full-scale program envisions a vast reconstruction job.

that the \$5,300,000,000 Marshall program itself be ap-proved at the earliest possible

A state department spokesman said the \$55,000,000 would represent an advance installment of funds western European countries would get under the Marshall plan — that is, it would come out of the \$5,300,000,000. The other bill provides for mile

itary aid to China, Greece and Turkey. The senate went on an overtime schedule so as to reach a final vote on ERP by Saturday,

night. About 20 senate republicans including Senator Taft (R-Ohio), were pressing — without pre-dicting success — for a \$4,000, 000,000 ceiling. The bill being debated authorizes up to \$5,300,-000,000 for the first year of the program.

Hayden Files For Re-Election As County DA

Miller B. Hayden, district attorney of Marion county, filed Thursday for the republican nomination to retain his office. Mentioned in recent weeks as a possible aspirant to the attorney generalship, Hayden formally entered his name for district attorney with

On his certificate, Hayden statpoints to a picture of traffic lights ed: "Present district attorney; terest."

Hayden's only known opponent is Edward O. Stadter, of Salem. also a republican.

At the Marion county courthouse, the next to last day for filing brought no new candidates, Carl W. Hogg, Salem furniture but one former office-holder disclosed that he is considering an attempt to return and one incumbent announced his decision not to seek re-election. Roy S. Melson, county com-

missioner from 1932 to 1940, told The Statesman that he was pon-Hogg said, "I have never sought | dering the question of filing today a political office, but I feel my for the republican nomination for commissioner. Incumbent Roy J. Rice and Alfred J. Zielinski have district at the national conven- already filed on that ticket. Melson is a farmer in the Keizer vi-

Dr. L. E. Barrick, county coroner for the past 16 years, four terms, said he will not file for reelection (Story on page 2). Already in the race, on the republican ticket, are Leston W. Howell and Ben J. Ramseyer.

For county positions, the in-cumbent has already filed in each vacant office. Only one democrat candidate has appeared, Robert B. Fallon for sheriff, although A. C. (Andy) Burk is expected to file today for the democratic nomination to that post, which he held for 12 years prior to 1944. The county clerk's office will close promptly at 5 p.m. today.

Greek Children Being Kidnaped

SALONIKA, Greece, March 11 (AP)-The United Nations commission for the Balkans instructed observers over northern Greece today to investigate Greek charges that countries to the north are kidnaping Greek children.

Alexandros Dalietos, Greek IIalson officer said villagers were told their children would be deported to Yugoslavia, Bulgaria, Romania and Albania

Canadian Government To Mechanize Mounties

FORT ST. JOHN, B.C. March 11 - (CP) - Scarlet - coated royal Canadian mounted police will be mechanized in their patrol of the Alaska highway in the Yukon.

A survey of the possible use of horses by the mounties in patroll-ing the highway was discarded

of the men. Grunden attempted to give any assistance.

The group attempted to disregard the Russian but he grabbed one of the men. Grunden attempted to give any assistance. when it was found that the upon the ground did the Russians keep would be much more than on mechanized vehicles.