

\$2,143,210 Salem City Budget Approved

Architect to Advise Extension on South Wing of Statehouse

A five-story addition to the south wing of the state capitol, with a museum on the first-floor level, will be among recommendations of Francis J. Keally of New York, architect who designed the structure, it became known Wednesday.

The extension of the south wing, at its present height and width, would add approximately 30,000 square feet of floor space, and bring the south wing within 20 feet of the State street curb line. An entrance also would be provided off State street.

The circular drive on the south side of the statehouse would be eliminated, but entrance to loading and parking spaces at either side of the wing would be retained and widened. Retaining walls and shrubbery would border the recessed entrances and parking levels.

Museum Planned Of the 30,000 square feet of new floor space, it will be proposed that 6,000 be used for a museum. Another 6,000 would be utilized for utilities, a freight elevator and corridors, and most of the remaining 18,000 would be used for legislative offices and committee rooms.

Architecture of the addition would be identical with existing construction. Other changes expected to be recommended include the installation of marble seats beneath the corner murals in the rotunda, with large bronze sculptured urns adjoining; massive walnut benches in the area outside the main entrances of the house and senate; new, modern lighting for the house and senate; bronze, descriptive lettering applied to the Montana travertine (stone) beneath the four large murals in the rotunda; descriptive wording below the murals on walls of main staircases, and the gold leafing of the stars on the outside of the north windows of the house and senate and of the bronze sculptured groups over the three main entrances to the statehouse on Court street.

Keally, who left Wednesday for San Francisco, said several persons had proposed the museum, including James McGillchrist, statehouse guide. The architect will submit his formal recommendations later.

Suit Will Try to Force County to Pay Welfare

Attorney General George Neuner filed a suit in the state supreme court Wednesday to force Malheur county to pay \$143,901 to the state public welfare commission.

It will provide a test of the 1947 law requiring counties to pay a share of their tax receipts for public welfare. Malheur county is expected to file a demurrer on July 6. The supreme court will hear the case in September.

The commission certified \$43,901 as Malheur county's share in the 1948-49 budget. Malheur officials declined to pay it, arguing that \$39,879 was enough to meet their county needs.

The dispute threatened to hold up welfare payments. The federal government notified the commission today, however, that it would not withhold payment of the Malheur county's welfare payments, pending outcome of the suit.

Columbia Metals Buys Fertilizer Plant; Output to Resume Aug. 1

Salem's war-born experimental alumina-from-clay plant has been purchased by Columbia Metals corporation and company officials, Wednesday indicated manufacture of ammonia nitrate fertilizer will be resumed August 1.

The corporation, which operated the plant during the war, announced Wednesday, through President J. O. Gallagher, that the property was purchased from the war assets administration for \$742,000.

The price did not include clay stocks or operating supplies. A letter of intent of sale was signed June 6 in Washington, D.C., but final transfer may not be consummated for two months or more. Inventories are still being taken.

The sale under the national security clause will provide that for 20 years no drastic changes be made in the plant which would make a quick reconversion to its wartime use impossible. The company had leased the plant from the government since the end of World War II. The lease expired Wednesday.

A. W. Metzger, plant manager, disclosed Wednesday that his company is contemplating construction of an ammonia plant to supply the vital product necessary to manufacture fertilizer. Shortage of ammonia forced closure of the plant four months ago, idling about 150 men.

Franzen Pay Boost Remains

By Robert E. Gangware City Editor, The Statesman

A Salem city budget aggregating \$2,143,210 for 1948-49 was adopted Wednesday night at a special meeting of the city council in Salem Chamber of Commerce hall. The city's new fiscal year begins today.

A dozen of the nearly 100 citizens at the taxpayers meeting preceding the special council session asked council reconsideration of budget items for city administrative policies, but the budget was passed without change from the recommendation of a citizens' budget committee early in June.

Budget Increased The budget total incorporates a \$773,500 operating budget of the self-sustaining city water department. The balance of \$1,369,710 compares with last year's budget of \$1,128,245.

Estimate of tax levy in this total, amounting to less than the legal maximum of 6 per cent increase, is \$457,267, including a general fund of \$307,636, street tax (2-mill) of \$43,000; fire tax (2-mill) of \$43,000, park tax (1-mill) of \$21,500 and fund to pay interest and principal on bonds \$42,131.

Several citizens commenting on the budget referred to City Manager J. L. Franzen's salary raise of \$1,500, from \$7,500 to \$9,000, as disproportionate to the general employees' salary raise of \$15 a month. However, nobody directly opposed the manager's pay increase.

Committee Approved The extra salary for Franzen this year will come entirely from the water department budget. Budget committee members approved the salary hike at Mayor Elstrom's recommendation which noted that Franzen spent about 20 per cent of his time in water department and related work.

(Franzen's \$9,000 annual salary is now the same salary rate to which Superintendent Frank E. Bennett was raised by the budget committee for Salem school district 24.)

Objects to Pay Scale H. E. Barker, representing the Salem Trades and Labor council, objected to a common labor pay scale of \$1 an hour (up 2 cents from last year). He was assured by aldermen and Mayor R. L. Elstrom, however, that the hourly wage rate will come up for consideration at the council's next meeting. Unlike monthly salaries which are fixed by the annual budget, the funds appropriated for common labor may be spent at "prevailing rates" provided the budgeted total amount is not exceeded during the year, it was explained.

Attorney Miller B. Hayden, representing two apartment house owners, took issue with a city-estimated revenue reflecting an increase in apartment house fees from 25 cents to \$1 a year per apartment unit. He noted that, unlike hotels and motels, the apartment houses remain under rent control and could not pass on the fee increase to tenants.

Inspection Need Four electrical workers expressed the belief that city electrical inspection, service needs were thinning. They asserted that workers and contractors would favor an increase in license fees if the city would provide adequate inspection service. The mayor told them the problem already was under consideration.

Roy Morris, city maintenance man with the police department, said that last year's budget committee had promised policemen pay approximating the state police salary scale, "in another year." Morris said "this promise has not been fulfilled."

City policemen and other employees received a \$15 a month pay increase in the budget passed last night. The police and firemen's pay will now be \$250 per month.

New Cherryland Decorations Due

New decorations will adorn Salem's downtown streets for the Cherryland festival scheduled July 15-18. American flags—five to a string—and a center banner carrying the cherry garlanded words "Salem's Cherryland Festival" will wave above business district thoroughfares.

The decorations committee for the festival begins work soon stringing new wires to hold the celebration bunting. The group hopes to have the decorations in place in time to advertise the festival to the fourth of July celebrants visiting the city.

Mind on Fishing, Not Politics



Fishing, not politics, is on the mind of Justice William O. Douglas of the U. S. supreme court. He made this clear Wednesday as he stepped off a UAL plane at Salem's McNary field (above) before continuing to Portland with friends. Justice Douglas came from his summer home at Lostine in eastern Oregon for some western Oregon fishing. (Photo by Don Dill, Statesman staff photographer.)

Justice Douglas Of Supreme Court Stops in Salem

Justice William O. Douglas of the United States supreme court can be added to the growing list of notables visiting Salem this summer.

Justice Douglas, on a fishing trip to the western part of Oregon from his summer home at Lostine in eastern Oregon, came to Salem via United Air Lines Mainliner from Pendleton. He was met at the airport by several Portland friends and after lunch continued to Portland by auto.

Justice Douglas said "no comment" to questions regarding reports that he might be a candidate for the democratic presidential nomination (see Alsop column on page 4).

"I am just going to find out where the fishing is best, and there I'm going," he said, indicating it might be either the Rogue or the McKenzie rivers.

The jurist and his family arrived in Oregon about three weeks ago and plan to remain at their Lostine summer home until about October.

Record County Budget Okehd

A record Marion county budget of \$2,685,248 for 1948-49 was approved Wednesday from the budget committee—Wednesday.

The county levy within the 6 per cent limitation will total \$963,275, while a \$200,000 court-house levy will be outside the limitation. The rest of the budget consists of revenues and expendable surpluses.

Only change made by the committee Wednesday from the budget as drafted in May was to add \$440 to the health department budget. This increase, however, will be offset by receipts from the city of Salem and the federal government. The increase is to be used for salary increases in the department.

Hungry Fish Take 2 Lines

MARION FORKS — This is a fish story. Byron Gavette and Clarence Gavette of Turner were fishing side by side at Lake Anne when each felt a tug and knew he had a big eastern brook. Each pulled in his line and both had the same 14-inch trout. The fish had swallowed both hooks with their bait of crawlers. If anyone doesn't believe this story, John A. James, route 11 Aumsville, says to just ask him about it.

Weather

	Max	Min	Precip
Salem	78	57	.00
Portland	78	57	.00
San Francisco	63	34	.75
Chicago	75	60	.00
New York	81	70	.30

Willamette river—3.4 of a foot.
Forecast (from U.S. weather bureau, McNary field, Salem): Scattered high cloudiness today, becoming clear tonight. High today 80, low tonight 61. Weather will be excellent for all farm activities except for moderate winds.
(From Sept. 1 to July 1)
This Year Last Year Average
65.45 59.00 57.00

Giant Airmada Flies Food To Berlin; Marshall Issues 'No Surrender' Statement

Bevin, U.S. Secretary of State Promise 'Quick,' 'Direct' Action to Solve Crisis

WASHINGTON, June 30—(AP)—The United States served a crisp no-surrender notice on Russia today: We intend to stay in Berlin despite Soviet efforts to push us and the other western powers out.

Secretary of State Marshall issued the 89-word declaration from the hospital where he is undergoing a physical checkup. He promised to "deal promptly" with questions raised by the Russian blockade of the former German capital.

Yugoslav Reds Ask Freedom From Moscow

BELGRADE, Yugoslavia, June 30 (AP)—Premier Marshal Tito's communists made it clear today that they wanted Yugoslavia to have the status of a sovereign nation instead of a marionette dancing on Moscow's strings.

Far from being overawed by the Kremlin's displeasure, Tito's followers proclaimed Yugoslavia's nationalist independence and hinted their willingness to deal with the west as well as the east on a basis of peaceful cooperation and equality.

They revived the proposal of a Balkan federation—a project which Moscow does not like possibly because such a grouping would not lend itself to direct Russian control.

Outwardly the Yugoslav leaders held out the olive branch to the Kremlin. They said they stood for "strengthening and further developing tight cooperation with the soviet union" and the other nations in the Russian sphere.

But their statement contained this blunt declaration: "The national independence of the people of Yugoslavia is the condition for their road to socialism and their progress in general."

Shortly after the statement was published Tito visited a building construction site near Belgrade. It was his first public appearance in more than two weeks.

Heat Relaxes; Fire Starts on Mt. Hood Slope

Salem residents looking for cooler weather will have to wait at least another day as the weatherman predicted another near 90-degree mark for Thursday. He did note a repetition of Wednesday's helpful breeze though which kept the thermometer down to 83 degrees.

Meanwhile the Pacific Northwest sweltered through its fourth consecutive day of heat. As temperatures stayed up the humidity tumbled and the danger of forest fires increased.

One fire broke out Wednesday in the Mount Hood national forest, and had covered 15 acres on the Salmon river south of government camp when it was discovered. Twenty-five men were dispatched to the area to bring the blaze under control. The two-day blaze reported Tuesday near Chehalis was not yet under control, but was not making much headway.

Logging operations were being curtailed in the Willamette valley as the humidity dropped below the 30 per cent danger mark. Humidity was 26 per cent at Salem; 22 per cent at Roseburg, 20 per cent at Eugene and 46 per cent at Portland at 3:30 Wednesday afternoon.

Temperatures in the Northwest Wednesday were generally about 10 degrees below Tuesday's highs with Portland 76, Seattle 75, Walla Walla 81, Ellensburg 84 and Eugene 83. Medford and Pendleton were Oregon's hot spots—both recording 90.

Harvester Plants Walkout Settled

CAGO, June 30 (AP)—A two-day strike of 35,000 workers at nine International Harvester plants was settled tonight.

A company spokesman said Harvester and the CIO-Farm Equipment Workers union had agreed that an 11-cent hourly wage increase be made retroactive to June 28. The retroactivity clause had been the main stumbling block in the dispute. The union, in accepting the offer, had asked that it be made retroactive to June 14.

Boy Scalded to Death In Breitenbush Springs

BEND, Ore., June 30 (AP)—Gerry Wilson III, 4-year-old son of Mr. and Mrs. Gerry Wilson, of Kent, Wash., tumbled to his death in a pool of boiling water at the Breitenbush hot-spring today.

A cousin, Kelley Wilson, pulled the scalded boy out. The boy succumbed at the hospital here.

County Grand Jury Charges Forgery on Initiative Petitions

Forgery of names on two petitions being circulated in Marion county and Salem is charged by Marion county grand jury in a report Wednesday.

The petitions involved the grand jury report said, include the one seeking to place the progressive party on the Oregon ballot at the coming fall election. The other is an initiative petition seeking to amend the Oregon liquor dispensing licensing act by licensing sale of liquor by the drink.

The report stated that signatures were forged by a "particular circulator" whose "mental capacity is seriously questioned by this grand jury." The name of the circulator was not divulged by the jury report, but the district attorney's office was instructed to investigate the person.

The jury determined that "numerous names of electors of Marion county have been forged" on the progressive party petitions. It also

'Cold Strike' to Hit Telephone Offices Today

NEW YORK, June 30 (AP)—Members of the CIO Association of Communication Equipment Workers have authorized the union's bargaining committee to call a nation-wide strike against the Western Electric Co.

This was announced Wednesday by Ernest Weaver, union president. Weaver said the union would begin a "cold strike" Thursday. Unionists will march with placards around principal telephone offices but will not attempt to keep persons from entering the buildings, Weaver said.

The "cold strike" might spread into a real walkout if the union bargaining committee continued. He said union members voted four-to-one to authorize such a walkout.

Weaver said ACEW members now earn an average of \$1.15 an hour and that the company has refused "even to make an offer" in reply to their demand for a 31-cent raise.

SEATTLE, June 30 (AP)—An official of the CIO Association of Communication Equipment Workers said today that Portland and Seattle will be the only Pacific northwest towns in which the union's "cold strike" will be prosecuted.

Petitions Ask City Firemen's Hours Reduced

Initiative petitions were being circulated in Salem Wednesday to place on November's ballot a measure to reduce the city fire department's work week from 84 to 63 hours.

The petitions were instituted and drawn up by the Salem Firemen's union and are being distributed by city firemen. The shorter work week is computed on a fiscal year basis and would give the fire fighters the equivalent of one day off a week.

If 1,251 signatures are obtained, the proposal will be placed before the voters of Salem in November's city election. Firemen reported nearly half of the required signatures were secured by late Wednesday night.

The measure also provides for a 3-mill tax levy to pay for additional firemen, who would be required if the firemen's week is shortened. The extra levy would apply to the present assessed valuation of the city within the 6 per cent limit, and would be effective within 90 days after the election.

Chief W. P. Robble said the proposed work schedule would require 17 additional firemen. He pointed out that the added personnel could be used to great advantage in times of second alarm fires. The present staff of 49 firemen is taxed to the limit when fighting large blazes, the chief said.

Under the existing setup firemen work 84 hours weekly, with 24 hours on duty and the following 24 off. By terms of the initiative proposal they would work 24 hours on and 24 off for six days, but would receive three-days off at the end of the week.

The firemen explained the three-day respite consists of a regular period of 24 hours off, plus an official day off and another 24 hours off on basis of the staggered-day system.

The union committee said the initiative petitions were initiated after City Manager J. L. Franzen, Mayor Elstrom and the city council refused to consider the proposal.

Treasurer Candidate Resigns Senate Post

State Sen. Walter J. Pearson, Portland democrat, resigned from the senate Wednesday.

He is the democratic candidate for state treasurer. His senate term would have ended just before the legislature meets next January.

Animal Crackers

By WARREN GOODRICH



"I understand the place is owned by a gentleman farmer."

Your Senators

LOST 6-2 7-3