

boards of the two local hospitals had agreed on a program of financing designed to provide new all activity on this line. Mean-time the need for added hos-

shift rooms. To the bystander, however, the plan proposed and agreed to does 2nd Wind in Talk not appear practical. It contemplates a single money-raising For States' Rights campaign, with donors permitted to designate which hospital their

charges and continue housing patients in corridors or make-

ficient to do the job for either institution. Each hospital has had Vandenberg (R-Mich), decided a goal of at least one million that an effort to curb the dedollars in mind. The cost of con- bate was in conflict with senate structing and equipping a mod- rules, and so the talkathon conern hospital is such that it will tinued. take that much for an economical It was highly doubtful whether Salem. The money is here, to be sure, but not the liberality to provide it. The practical goal would not be in excess of a million and a quarter dollars. Unless virtually all of that went to one hospital neither one would have (Continued on editorial page)

Boards Grant Fund to OCE For Remodeling

at Monmouth was approved Monday by the state board of control and state emergency board in a joint meeting here.

The boards learned that bids for the teacher training building work already have been received. The money was appropriated from the state building fund. Another \$50,000 was appropria-

ted by the emergency board for paying the cost of Oregon national guard service at the port flood area this spring. Balance of the \$72,173 requested by Maj. Gen. Thomas Rilea, adjutant general, is to be made up by 1949 legislature after it is spent from current guard funds, the board indicated.

The board also pared from \$25,-000 to \$15,000 a requested appropriation for enforcing state brand inspection. Central and eastern Oregon cattlemen made the request, explaining that a recent legal action reducing collectible inspection fees by 60 per cent has left the state with inspection points only at Ontario and North Portland.

Two requests were denied when the board passed over a \$14,000 request from state education officials for maintaining on-the-job training inspection, and rescinded a \$6,200 state historical society grant of last month on advice from Attorney General George Neuner that it was illegal.

Dr. Irvin Hill, superintendent of Fairview home, advised the board he would later request an emergency appropriation of \$8,-405 required to operate a new children's cottage at his institution until the next legislature He said the cottage would be opened September 1 instead of January 1 as originally proposed. The money would be used for salaries and operating costs.

Round World B-29s Arrive at Yokota

TOKYO, Tuesday, Aug. 3 -(AP) Two B-29 bombers landed this morning at Yokota airfield, 20 miles west of Tokyo, on their around - the - world flight. They

started July 22 from Tucson, Ariz. The planes will take off at 9 would advise the Polk court of tomorrow for Anchorage, the situation immediately.

Three planes began the long training flight, but one crashed at Aden last week

Animal Crackers



"What do YOU want a pogo

The Oregon Statesman Envoys Cheered By Talks With

NINETY-EIGHTH YEAR 14 PÁGES The Oregon Statesman, Salem, Oregon, Tuesday, August 3, 1948

Budenz Talks With Chairman of Hearing

WASHINGTON, D. C., Aug. 2 — Louis F. Budenz, former communist editor, talks with Chairman

Sen. Irving Ives (R-NY), Edward Thye (R-Minn.) and Ferguson. (AP Wirephote to The States-

Roy Stevens approved it.

peated by several.

a hundred chances."

good as it is

from 20 poles. The city council Negroes Denied

adoption of the committee re-

port which said the "pole was

(Additional details on page 2)

they would carry the fight against

District Judge T. Justin Hin-

shaw denied court orders sought

School Entry

Satisfaction was felt when announcement was made that hoards of the two local hospitals GOP Anti-Inflation hospitals for Salem. The previous disagreement had held up activity on this line. Meanpital facilities continued with both hospitals forced to restrict admissions closely, hasten dis-

Filibuster Gains

money is to go to; and all un-designated contributions to be Filibustering Dixie senators won a major round today in their ef-

The presiding officer, Senator

unit for a city of this size. But the senate would reach a vote at two million dollars seems beyond this extra session on the bill to the reasonable expectation from outlaw the poll tax as a qualification for voting.

> The situation was this: Last Wednesday, Senator Wherry (R-Neb) made a motion to credit by increasing bank reserve take up the bill which is part of requirements. President Truman's civil rights

> Southerners immediately started a filibuster against the motion, insures mortgages on new dweland since then the senate has been tied up in knots. Cloture Denied

Today Wherry proposed that hour's talk. Wherry's proposal would have required a two-thirds vote to become effective.

But it never got to a vote. Vandenberg ruled it out of order. He did so reluctantly, he said, A \$91,100 remodeling program because he personally favors the ate.

for Oregon College of Education anti-poll tax bill.

> He said it seemed plain to him that when the senate adopted its rules about cloture in 1917, it meant that they should apply to and a multi - billion dollar excess dered Portland General Electric company to remove poles recently pending bills, not to pending profits tax motions.

And the matter pending before the senate today was a motion - to take up the anti-poll tax bill-and not a bill.

Plan Rules Change day the GOP will try to change cations were that no agreement the senate rules next January so was reached on this subject. that debate can be shut off when-

ever a majority wants it. Chairman of the republican policy committee, he made the pronouncement after southerners had started filibustering an appeal he made against a ruling by Senator Vandences, Mich), the presiding officer. Senator Vandenberg (R-

County Health Proposal Held **Not Permitted**

If Polk and Marion counties go through with a recent proposal to share expenses of a joint health officer, then Polk county cannot share in federal matching funds for its health department, Dr. Gordon B. Edwards of the state health department told Marion county court Monday.

At a recent meeting of the two counties' courts it was decided to hire an additional health officer and to split his services between Marion and Polk counties. Polk county has no health officer services at this time, its county court an officer's salary.

Dr. Edwards said Monday that federal matching funds cannot be used when a health officer is employed only part time. He suggested that the two counties join in a two-county health district. As of last night the Marion county court had not been advised of any new plans of the Polk county court. Dr. Edwards said he

French Seek 52 **Aboard Missing** Plane at Sea

said tonight it was forced to concede that only some mechanical defect could explain the disappearance of its huge flying boat which is missing over the south

Atlantic with 52 persons aboard. Therefore, the air line officials said, they were grounding all seaplanes of that type - the 73-ton, six-engine Latecoere 631 - pend-

since the giant airliner vanished arrive at Port Etienne, Maunitania, Martinique in the French West

The last radio report from the missing plane said all was well. Air France said since the weather was favorable, it was unreasonable to assume the plane had been bothered by storms.

Aids for Housing

By Francis W. LeMay The great sanger is that the amounts will not be suf-President Truman's proposals.

> the house banking committee told reporters he probably would introduce the republican bill on Wednesday.

Tighter Credit Included 1. Legislation to tighten bank

enact (a) the so - called "title 6" under which the government lings; (b) legislation giving investors in rental property tax savings by increasing the rate of depreciation of the property; and the senate invoke "cloture," which (c) yield insurance, guaranteeing would limit each senator to one a profit for investors in large

The housing bill, eliminating the controversial federal low-rent housing and slum clearance, passed the house during the regular session and is pending in the sen-

Mr. Truman has asked for that measure, with the subsidized housing feature back in it, along with price and rationing controls, Installment Curbs Tabled

The republican program outline

dications that congress might clean up its extra session work and quit in a few days.

The Truman profits tax bill was sent to the capitol earlier in

Aug. 4 Quitting Defeated WASHINGTON, Aug. 2 -(AP)-The senate late today voted down, 58 to 13, a resolution to adjourn

August 4. Senator Johnston (R-SC). It gathered support only from his Dixmocrats and republicans joined

Now in Salem

Population of Salem now is estimated at 51,584 by Postmaster Albert Gragg. The estimate is caid, but will pay \$3,000 toward based upon residential stops made Makes Him Millionaire by postal carriers within the city limits, Gragg said.

timate was 46,904, Gragg said. although some persons do live in the business district, Gragg said.

CITIES SEEK SALES TAX

corporation counsel for Spokane. punged.

LOS ANGELES, Aug. 2 -(AP) An oil strike cleared a promot-George Leingang of Bakers-

'Worthless' Oil Land

field was convicted in 1944 of Oklahoma's racial segregation grand theft. Two men charged laws again to the supreme court. Leingang had sold them worthless oil land. Recently, oil was found in the Cuyama valley, between Bakersfield and Santa Barbara.

Petitions Seek

Franchise for

Salem Electric

Over 1,000 signatures had been

obtained by Monday night on pe-

titions seeking to place a franchise

privilege measure on the Novem-

areas where over 50 per cent of the

legal voters or users of electrical

energy request the service by pe-

titions filed with the city recorder,

Read said that Salem Electric

now furnishes over 90 per cent of

that he hoped through the new

measure to be able to provide more

Present operations of the co-

operative on the Salem side of the

river are limited to connections

has denied Salem Electric a gen-

and better service to Salem.

eral franchise.

state legislature for part of the was worth "close to a million state sales-tax funds or a sales tax dollars" as a result of the strike. of their own, it was indicated to- A superior court judge ordered day by Paul Schiffner, assistant the record of his conviction ex-

PARIS, Aug. 2 -(P)- Air France Navy Pooh-Poohs Mines

SEATTLE, Aug. 3 -(AP)- United | ditions' change in October. The States navy and coast guard few located at sea since July 1 headquarters early today discounted a Vancouver (B. C.) News-Herald story that stray

west coast shipping. ing an exhaustive study of the that numerous reports of Russian He said all mines destroyed by mines in Pacific northwest wat- the RCN were Japanese. Bad weather tonight hampered ers have been received during rescue ships and planes which the past year, but all proved have been searching the ocean false.

nearly two days ago. It failed to also confirmed that no Russian current from Siberian harbor mines have been sighted off the mine fields. West Africa, after taking off from Washington and Oregon coasts. The story was based "on redetonated on northwest beaches couver island." since last February has been Coast fishermen, the story said, Japanese. Prevailing tides have prevented any mines from drift- form with known types of Japaing ashore in the past 30 days nese mines " and are definitely and none are expected until con- Russian weapons."

have been Japanese-type. In Vancouver the story was Russian mines are endangering challenged by Rear Adm. E. Rollo Mainguy, Pacific coast flag offi-

The 13th naval district said cer for the Royal Canadian navy. The News-Herald speculated that Russian mines may have been carried eastward across the

The 13th coast guard district Pacific ocean by the Japanese

West Salem Orders Commies Busy PGE Poles Removed In Government WASHINGTON, Aug. 2 -(AP)- A WEST SALEM, Aug. 2 - West Salem city council tonight or-

Budenz Claims

"considerable" red fifth column has wormed its way into the U. S. acquired from Mountain States Power Co. from city streets and also government, senate investigators dividual group basis. Previously morning I learned that this agreewere told today by Louis Budenz, it has been customary for the Rus- ment was repudiated." refused the PGE permission to replace a pole on Edgewater street. former editor of the communist Demand for removal of the Mountain States poles was adopted Daily Worker. by a divided vote Councilman Elmer Burk urged that the company And while some communists are ually. be directed to come before the

"confused" enough to believe their council and explain what use was to be made of the Mountain States loyalty is to the United States, he lines through town which PGE went on, the majority of party Crawford Site recently acquired. Burk voted against the motion while Councilin case of war. The party aim, Budenz asserted, Approved for men W. C. Heise and Chester is to serve Moscow's purpose of Douglas did not vote. Councilmen world domination, including "dom-

Donald Kuhn, A. F. Goffrier and inance of the Soviet government of Russia over the United States." City Attorney Elmer Cook re-The party itself, he said, is a ported the change in ownership Soviet "fifth column." effective since the last meeting. Budenz gave that sweeping out-The long - standing complaint against the Mountain States lines, tics in testimony to a senate exthat they interfered with radio

reception in West Salem, was rehe had "every reason to believe" a sensational espionage story pre-Councilmen who favored reviously told to the committee by moval of the poles, were firm but Elizabeth Bentley.
Miss Bentley, telling of warnot heated about their demands. Councilman Stevens in discustime activities as a Soviet secret sing it with Burk said, "They agent, named dozens of U. S. ofhave had a million chances to ex-

ficials and employes, all the way plain," to which City Attorney to the White House, as sources of Cook interposed, "Well, at least a flood of secret information she said she collected. The request to replace the pole Budenz furnished a moment of near Puritan market was dated

drama in today's hearing when he May 27 and denial was made by turned in the witness chair to identify the 40-year-old Vassar graduate as a women he knew as trusted Russian agent. Budenz also told the subcom-

mittee that the communist party gets "a very big take from Hollywood," as he discussed how the party financed its operations." PORTLAND, Ore., Aug 2 -(AP)-

William D. Browne, Oregon chairman of an American Legion com-NORMAN, Okla., Aug 2 -(AP)mittee on communism, reported today that he has an affidavit signed A state court today denied adby a communist leader that showed mission to the University of Ok-Hollywood collections for the party lahoma to three negro women, averaged \$32,000 a week.

Browne, a member of the Portland police department, said the data was obtained during a 1936-37 probe of communism in the Los Angeles area.

Israeli Warns The others were Mauderie Han-ock Wilson and Halen Maying cock - Wilson and Helen Maxine Holmes, both of Oklahoma City.

CAIRO, Aug. 2.-(AP)-Israeli For-eign Minister Moshe Shertok threatened today to reopen the by the three women to compel the university to enroll them for Palestine war if Arab armies continue to break the United-Nationsordered truce. Shertok told a news conference

in Tel Aviv the "presence of invading armies on the borders of Israel is a continuation of a state of war and is quite intolerable." He said he had learned the Egyptians had opened a full scale offensive in the south today with air and ground attacks in the Negeb desert area.

RAF Drops Bombs On Malaya Rebels

Soviet Leaders

MOSCOW, Aug 2 -(P)- Envoys of the U. S., Britain and France emerged smiling and in good spirits tonight after conferring in the Kremlin with Prime Minister Stalin on the chances of settling eastwest differences in Berlin and all Europe.

Their two-hour-and-15-minute meeting was the longest any foreign representatives have ever had with the Russian leader. Soviet Foreign Minister V. M. Molotov also was present.

The western power diplomats left the walled center of the Soviet government at 11:15 p. m. (6 p. m. PDT) and hurried to the American embassy where they immediately went into conference.

At the embassy, the three western envoys — U.S. Ambassador Walter Bedell Smith, French Ambassador Yves Chataigeau and Guard Ordered Frank Roberts, special British representative — had no immediate comment to make on their conversations with the soviet leader. Obviously in a great hurry and in good humor, they pounded up three flights of stairs to Smith's Pickets Ready office without waiting for the ele-

among the four great powers. During the night, official reports on the meeting with Stalin will be dispatched to Washington,

London and Paris. Other U.S., British and French officials already were in the embassy waiting for their chiefs to return from the kremlin. Smith told reporters: "General-

issimo Stalin and Mr. Molotov received us all at a meeting." Then he added: "There wil probably be a communfique to that effect tonight, I don't think there will be anything more. I'm sorry,

Big 4 Meet Speculated (British diplomatic writers speculated that the meeting with Homer Ferguson (R-Mich.) of a senate subcommittee in Washington, D. C., before testifying that Stalin soon might lead to a con-"the communist party of the United States is a fifth column of Soviet Russia." Left to right: Budenz, ference of Stalin, President Truman, Prime Minister Attlee and French Premier Andre Marie.

(A strict official silence was observed by the U.S. state depart- tempt for ignoring a court order ment and the British and French to remain away from the plant foreign offices on all aspects of the Common Pleas Judge Paul T. western nations' latest approach Klapp warned them they would to Russia. British officials said any be jailed immediately if they releakage of information about what appeared there. He postponed senthe western powers are proposing tence until tomorrow. might ruin the outcome of the Moscow talks.)

talks with Stalin will be on an in- ed by UE officials, then "this sian leader to see representatives

Union School

TURNER, Aug. 2.-(Special)-A seven-district vote tabulated here tonight showed that the Crawford it accused of "flagrant violations" line of communist goals and tac- site was favored by a 19-vote margin for the construction of the new penditures subcommittee. He said Turner-Aumsville union high school. The site is about three miles southeast of Turner at the site of the present Crawford school on the Turner-Marion road. Its

cost ot the district will be \$8.000. The ballots showed 219 in favor of the Crawford site and 200 in favor of the Darley site, which had been approved by an election last December.

Voters cast ballots Monday in the Turner, Aumsville, Marion, North Sentiam, West Stayton, Crawford and Cloverdale districts.

Guard Offices To Quit Salem

Oregon national guard offices, located in Salem since World War l, are to be moved to Portland, probably by October 1, Maj. Gen. Thomas E. Rilea revealed Mon-

now in progress to house the guard offices in the Portland armory. Considerable interior remodeling will be required, for which funds are now available.

Virtually all headquarters companies now are located in Portland, Rilea said, and most emergencies have been handled there. The guard offices were located in Portland before being transferred to Salem.

Son of Toledo Couple Killed in Plane Crash

LODI, Calif., Aug. 2 .- (P)-Two Lodi flight instructors were killed instantly when their light plane crashed at the Lodi air show yes-

The fliers, Arnold Fachner, 28. and Lloyd Brown, 43, were stunt-ing the plane when it plunged 150 ship today by the U. S. Maritime feet to the ground. Both men are survived by widows and minc? children. Brown is the son of Mr. and Mrs. Clyde G. Brown, Toldeo

Weather

Portland 75 59 .00
San Francisco 65 53 trace
Chicago 82 59 .00
New York 86 68 .00
Willamette river -2.8 feet.
FORECAST (from U.S. weather bureau, McNary field, Salem): Generally fair today, becoming partly cloudy tonight and tomorrow, clearing again in the afternoon. Little change in temperatures with high today 86; low tonight 57. Agricultural outlook good today except for morning cloudiness and

SALEM PRECIPITATION (From Sept. 1 to August 3)

To Ohio Plant;

Progress Said Made

Even before their Kremlin visit
Thomas J. Herbert late today orthere were indications of an easdered the Ohio national guard to ing of the tense international sit- move in and "maintain law and uation. Authoritative sources said order" at the Univis Lens com-progress already has been made pany plant; scene of strike disor-Company officials immediately

announced plans to re-open the plant tomorrow morning. The governor accused the CIO United Electrical Workers local at the plant of "a complete breach of good faith" in not ending a 90-day

strike. He said it was imperative that the sinte send in troops. Not to do so, Herbert added in formal statement, would "mean submission to the dictates of a group of men whe seem determined to pursue a course of violations of our laws" and in defiance of court orders.

As a showdown neared, the union eppealed to all Dayton unions to mass pickets at the plant entrance at 6:30 a.m. (EST) 10morrow.

Meanwhile, five UE officials and pickets were found guilty of con-

Governor Herbert said he left Dayton last night with an agree-It was not known whether the ment to terminate the strike sign-

A group of 225 striking workers refused to ratify the settlement approved by their leaders. The vote was announced as unani-

mous. any comment tonight.

The strike originally began as a wage dispute. Last week the company gave all employes an 11cent-hourly increase. This left the main issue as the company's insistence on firing 11 strikers whom

of the law. Under the agreement reached ast night, the 11 would have been paid by the company for a 30-day period while their cases were turned over to an arbitrator.

J.S., Russians Trade Blasts On Arms Cut

LAKE SUCCESS, N. Y., Aug. 2 A)- The United States accused Russia today of obstructing United Nations attempts to reduce and regulate world arms. Russia heatedly replied that the United States and Britain had sabotaged

the arms cutting program. The flare-up between Frederick H. Osborn, United States delegate, and Jackob A. Malik, Soviet deputy foreign minister, came General Rilea said plans are at an open meeting of the U. S. commission for conventional armaments. It was the latest and apparently the most intense clash between U. S. and Soviet delegates in a long series of wordy arguments in the

The commission virtually has given up afforts to write an arms regulation convention because Russia and the western powers cannot agree.

Liner America Again Private

HOBOKEN, N. J., Aug. 2 -(P)-The liner America — largest mer-chant ship ever built in the U. S. The Maritime commission has

perated the ship since 1943, At brief ceremonies, the America was turned back to the United States Lines. Tomorrow she will sail on her first transAtlantic voyage as a privately-owned ship, though she has been in constant service since 1940.

When the ship was built, it was unable to enter U. S. Lines service cause of the war in Europe. Later, the government requisite the liner as a troopship.

POSTMAN'S RAISE SOUGHT SHINGTON, Aug. 2 -(P)-

Belation to increase the pay of first postoffice workers \$350 s year and to set up a 25-hour work week was introduced today by Senators Langer (R-ND) and Johnson (D-SC).

Bank Credit Curbs,

Said on New Bill

WASHINGTON, Aug. 2 -(AP)-The congressional republican program, flatly rejecting most of Chairman Wolcott (R-Mich.) of

The GOP program, in a preliminary stage and not formally announced, was reported to in-

2. A housing bill that would

rental properties.

was drawn at a meeting of house Speaker Martin, Senator Taft of Ohio, House Republican Leader Halleck of Indiana, and Wolcott. They also discussed whether WASHINGTON, Aug. 2 -(A) wartime controls on installment Senator Taft (R-Ohio) said to- buying should be restored. Indi-

The session was held amid in-

ber city ballot for Salem Electric, Republican leaders let it be H. B. Read, manager, announced known immediately it has no more Only 262 more signatures are needed to place the measure on the chance of enactment that the president's price control. ballot. The measure would provide a franchise in areas where the utility now furnishes service, and in other

the special congressional session The resolution was offered by Read said. ie colleagues while northern de-West Salem electric service and

forces to defeat it. **51,584 People**

This is an increase of 5,680 over August, 1947, when the es-The stops considered do not include any in the business district

SPOKANE, Aug. 2.-(AP)-Wash- Today Leingang testified he had ington's cities will ask the next paid the men \$6,500 in restitution,

One of the three rejected was Mrs. Ada Fisher of Chickasha, who for more than two years has waged a court fight to enter the university law school.

graduate studies. **Driver Must Pay** \$8,000 Damages

Lloyd C. McKenzie, Salem, was ordered to pay \$8,000 damages by a Marion county circuit court jury decision Monday night in a negligence suit brought against him by Grant C. Rogers.

In Fatal Crash

Lou Rogers, 18, who was killed in and auto-train crash near the state penitentiary last August 30. Mc-Kenzie is the driver of the car in

Rogers is the father of Betsey KUALA LUMPUER, Malaya, Tuesday, Aug. 3-(P)-RAF Spit-fires, dropping aerial bombs for the first time since the Malayan Both branches of the service ports from fishermen arriving which Miss Rogers was riding at insurrection began, destroyed an said that each of the 60 mines here from the west coast of Van-

Separate suits brought by Rogers against the Southern Pacific railroad company and Harvey Holzcamp, railroad employe, were dismissed by the court following jury action Monday night