



By Charles A. Sprague

For a supreme court to reverse itself after rehearing a case is unusual but not unprecedented.

It should be mentioned that in the previous hearing, to expedite a decision both plaintiff and defendant waived the customary privilege of filing reply briefs.

It was after a second hearing when the case was reargued that the court majority shifted to uphold the plaintiff who had contended that all income tax revenues are exclusively for use in reduction of property taxes.

This decision settles the issue as far as present receipts and present laws are concerned.

Molalla Police Chief's Plane Said Sabotaged

PORTLAND, Ore., Aug. 19-(AP) The chief of police of Molalla, Ore., asserted today that someone tried to kill him by sabotaging his airplane.

Waldren said he found five gallons of water had been substituted for gasoline in the right wing tank.

"Whoever sabotaged the plane knew the standard procedure of warming up the engine on such a plane with gasoline from the left tank, then switching to draw gasoline from the reserve sump in the right wing tank for take-off," he said.

Woodburn Votes School Budget Rise

WOODBURN, Aug. 19, (Special) A measure to raise \$59,320.14 over the 6 per cent limitation to operating the Woodburn school district, was favored here today by voters by 181 to 99 vote.

Animal Crackers



U.S. REJECTS RED PROTESTS OVER TEACHERS

Kingwood Annexation Petitions Ready

Check to Start on Commission Petitions

Acceptance Of Signatures Still Undecided

Unchecked petitions seeking a ballot spot for the proposed change from manager to commission form of government for Salem will be delivered by the city recorder's office to the county clerk's office this morning for checking the validity of signers.

Whether that process can be completed in time to assure inclusion of the proposal on the ballot was not certain, but officials promised their best efforts.

The county office has as yet certified only 583 names of the reported 1,617 names on the petitions. The law requires 1,252 for such initiative petitions.

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\$2,000 Found In Rest Room Of Airplane

City police with the help of United Airline employees and a pair of legions Thursday morning recovered \$2,000 in \$10 bills from the rest room of a DC-6 plane which had landed here from the east coast.

Police were first called to the airport before the plane landed. William Decker, Yakutat, Alaska, a passenger, told two officers of the loss of the \$2,000 somewhere between Denver and Salem upon his arrival here in the plane.

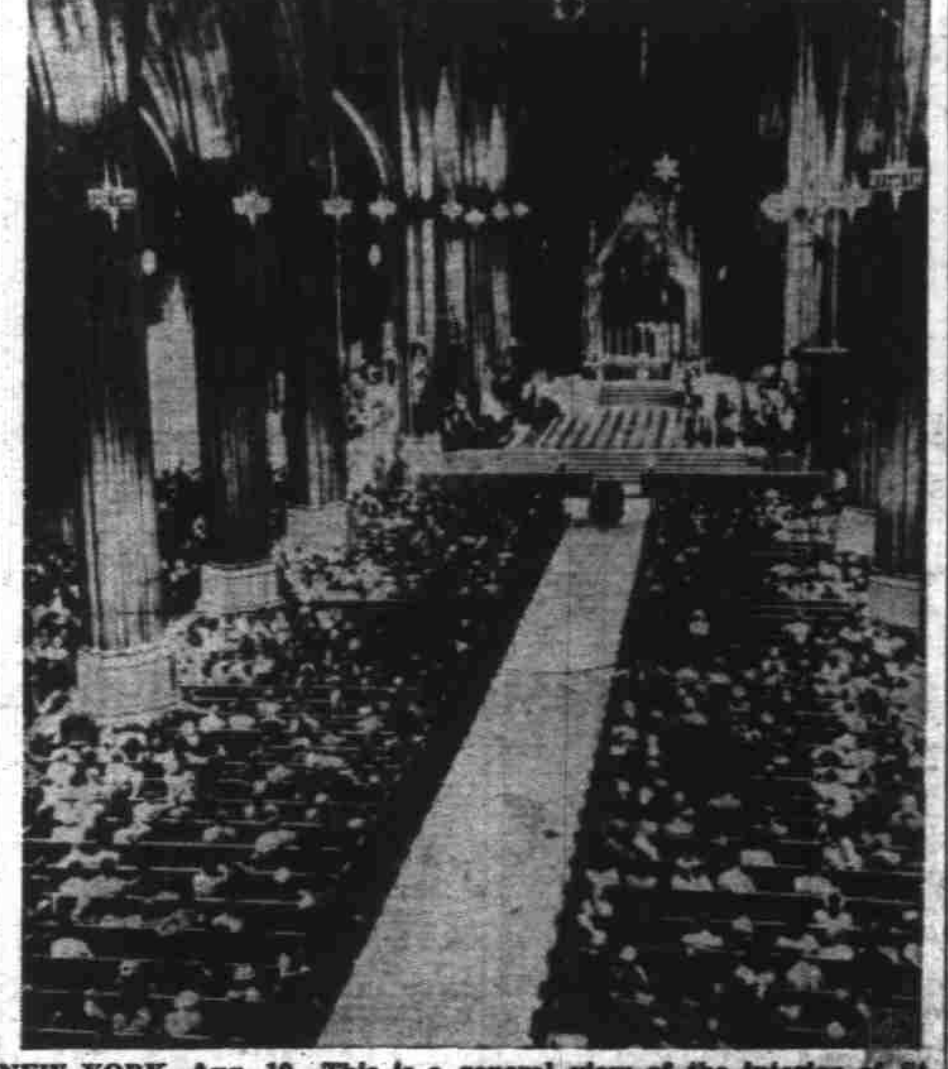
Decker told police he had carried the envelope containing the money inside his shirt and was sure it was there when he changed planes in Denver. He had felt the money in the envelope several times during the trip, he told police and his wife confirmed the story.

After a thorough search of the plane and Decker's luggage, police were still unable to find the money. As a last resort, a pair of legions was used to probe the lavatory facilities and it was there that the \$2,000, \$1,900 in \$10 bills and one \$100 bill, were found by Officers Charles Creasy and R. R. Main.

Weather

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

Final Rites for the Babe



NEW YORK, Aug. 19.—This is a general view of the interior of St. Patrick's cathedral as funeral services for Babe Ruth were held.

Meat Cutters Union Calls For Strike in 12 Markets

Salem meat cutters whose employers have not signed wage increase agreements asked by Meat Cutters union, local 291, were called on to strike today, Claude Boyd, union president, announced Thursday night.

The strike may affect about 12 Salem markets, Boyd said. He noted that a majority of Salem markets have signed the agreement.

Freedom Short For Released Pen Convict

Following his release from Oregon State penitentiary at 9:30 a. m. Thursday, Robert Marlar was rearrested Thursday afternoon by Salem city police on a Marion county district court warrant charging assault with a deadly weapon.

His arrest followed an episode at the Chemeketa apartments, 111 Chemeketa st., police reports show, where C. M. Moore, resident there, came home to find Marlar in his bed. The apartment assistant manager, Rex Kelley was called and Marlar was asked to leave. He left, but returned with an axe which he brandished about, Moore told police, Moore also told police he used threatening language while he and Jack Lunt, another resident there were in the room. Marlar finally left, police said, leaving the axe in the room. Police arrested him later in a downtown tavern.

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Advocates to Meet Tonight In West Salem

Petitions for annexing to the city of Salem a large Polk county area surrounding but excluding West Salem will be ready for distribution today.

Citizens across the river from Salem who favor such a move are to meet at 8 o'clock tonight in West Salem Legion hall to organize their efforts and begin circulating petitions.

Proponents of the annexation point out that Salem needs area to the west for expansion purposes. They cite that within a two-mile radius of downtown Salem there are over 40,000 residents on the east side of the river and only about 4,000 on the west side.

To Facilitate Advocates To Expedite Annexation

The completion of the annexation of the Kingwood district to Salem would facilitate a later merger of West Salem with Salem. Despite a 1947 state legislative act drafted to allow merger of the two cities, initial steps toward the merger were thwarted in Polk county courts by a decision that the river did not form a common boundary because of the island of Marion county intervenes.

To bring a Kingwood annexation proposal to a vote, the Salem city council would have to receive at least one petition and direct that a special election be held, possibly to coincide with a general election. A special poll book would be prepared for the area seeking annexation and that area and the city of Salem would each have to cast a majority vote in favor of the annexation.

Rain in Valley Slows Harvest

Beans and hops were being picked in a few Willamette valley fields Thursday, but the clouds and rainy weather were hampering both the ripening and harvesting of the crops, according to the Salem office of the state employment service.

The office reported that many bean pickers had switched to handling the early fuggies hop crop, resulting in a labor shortage for the Stayton and Woodburn bean areas. Workers are needed now, and the demand is expected to grow if the weather clears.

Russian Teacher 'Very Much Improved'

NEW YORK, Aug. 19-(AP) Mrs. Oksana Korshak was returned to an oxygen tent tonight after a four-hour period without artificial aid to her breathing. However, Roosevelt hospital said her condition was "very much improved."

She first was placed in the tent yesterday when she had difficulty with her breathing. She also was given a blood transfusion last night.

Crowd Expected at Coronation Of Flaxaria Queen at Mt. Angel

By Lillie L. Madson, Farm Editor, The Statesman. MT. ANGEL, Aug. 19.—Hundreds of valley folk are expected here Friday night to witness the coronation of Her Majesty, Queen Mary Jane Geelan of St. Paul, to rule over Flaxaria until Sunday.

Joseph Berchold, chief of the Mt. Angel volunteer fire department, will serve as master of ceremonies. A brief musical program will be given in connection with the coronation to be followed by two dances.

Honored with Queen Mary will be her royal court, Marilyn Myers of Salem; Betty Twito of Woodburn; Rita Dreacher of Monitor and Regina Traeger, Mt. Angel, the latter crown princess of the court.

Announced as special features of Saturday's program, aside from the industrial tour and the grand parade, will be the memorial ceremonial at 1:30 when the new city garden will be dedicated to the memory of Dr. J. E. Webb and Dr.

Publication of Notes' Contents Slated Today

WASHINGTON, Aug. 19-(AP) The United States tonight rejected Russian protests and demands in connection with the cases of the Soviet school teachers who have sought refuge in this country.

An American note replying to notes which had been sent to the state department by Soviet Foreign Minister Molotov and Ambassador Alexander S. Panushkin was delivered to the Soviet embassy here at 5:10 p. m. eastern standard time.

The state department announced the delivery of the document, by a department messenger, but declined to make any comment upon its contents prior to publication which is scheduled for 9 a. m. E.S.T. tomorrow.

Despite this temporary secrecy, there was no doubt that the state department had turned down Russian demands for the delivery of the school teachers into Soviet custody and had rejected Russian accusations against the American government, and its officials, including a charge that they had connived in the "kidnapping" of the teachers.

Willeys Weary As Farm Still Lighting Fires

MACOMB, Ill., Aug. 19-(AP) Two new fires—starting almost simultaneously in the chicken house and the milk house—dogged the burned-out, mystified Charles Willeys today.

The elderly farm couple, who have been living under a tarpaulin since their farm home burned down Saturday reported they observed smoke seeping from their chicken house shortly before noon.

Willeys found a box of old newspaper blazing fiercely but stamped out the flames.

Then Mrs. Willeys said she opened a cupboard door in their temporary dining room in the milk house and found newspapers on the shelf smoldering. She patted out the fire before the flames did much more than scorch the paper.

"I'm completely mystified," said Fire Chief Fred Wilson after inspecting the source of the new fires. He took the newspapers back to his office for a chemical analysis.

Within the past 12 days fires have destroyed the Willeys home and a barn. Small blazes also have been extinguished in the milk house and chicken house. Nearly 200 small fires flared up spontaneously in the Willeys home before the final blaze consumed it.

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A. F. E. Schierbaum, both of whom gave many years to the betterment of Mt. Angel both medically and civically, and the talk by Dorothy McCullough Lee, mayor-elect of Portland.

Dr. Webb, a native of Silverton, was the first Mt. Angel physician, serving from a young man until his death four years ago, with the exception of a period of army service during the first world war. He was also mayor of Mt. Angel for a number of years and past commander of the Mt. Angel post, American Legion.

Dr. Schierbaum, who died in 1945, also served Mt. Angel for a long time and was the first president of the Business men's club as well as director of the Men's chorus for several years.

Mrs. Lee will give the main address at the 4 o'clock program which follows the grand festival parade. At this program, Queen Mary will also award the parade prizes.

Refugee



LONDON, Aug. 19.—Mrs. Marie Provaznikova, leader of Czech women's Olympic team, smiles in London where she said she would not return to Czechoslovakia. "I am a political refugee and proud of it," she said. (AP Wirephoto to The Statesman.)

Man Held as Boy Dies in Hit-Run Case

State police Thursday afternoon arrested Joseph William Brown, Woodburn, route 2, on a Marion county district court warrant charging negligent homicide. The arrest was made, police said, in connection with the hit-run accident Wednesday night near Hubbard in which Eugene and Alvin Ready, Portland, teen-age bicyclists, were critically injured.

Eugene, 16, died early Thursday morning at Salem Memorial hospital where the two boys were taken by ambulance following the accident.

Brown was arrested at his home in Woodburn Thursday by state police who had arrested him Wednesday night on another charge, being drunk on a public highway, district court records show. He was released Thursday morning after pleading guilty and posting \$150 bail.

Meanwhile, Alvin Ready, 14, was still in serious, but slightly improved conditions at Salem Memorial hospital, hospital attendants said.

State police said they made the second arrest after noticing that the front end of Brown's car was damaged. Brown will be arraigned in district court this morning and is held in lieu of \$2,500 bail in Marion county jail.

Eugene Ready, is survived by his brother Alvin and his parents, Mr. and Mrs. Ambrose Ready, Portland. Funeral services will be announced later by the Clough-Barrick company.

State to Gain 2 Congressmen, Solon Predicts

ABERDEEN, Wash., Aug. 19-(AP) Rep. Mack (R-Wash.) predicted today Washington and Oregon would gain two congressmen each in 1952 because of greater population.

Mack estimated that California would get 10 more representatives by the 1952 apportionment, boosting the congressional strength of the three west coast states to 47. Oregon now has four U.S. representatives; Washington six.

"With our natural resources, Washington and Oregon should in the next 25 years have a combined population of between eight million and twelve million people," Mack added.

Newspaper Edition Has Teeth in It

TEXARKANA, Aug. 19-(AP)—"This edition has teeth in it," the Texarkana-Ansa Gazette told readers in a front page box.

Transfer Of Funds Blocked

Surplus state income tax revenues cannot be spent for general governmental purposes, the Oregon supreme court ruled in a 4 to 3 split decision Thursday, reversing its previous verdict.

On July 15 the court ruled 4-3 that the surplus could go into the state general fund.

Thursday's action followed rehearing of a tax surplus suit brought by Charles A. Sprague, former Oregon governor, to restrain the state tax commission from transferring the surplus revenues to the general fund.

Chief Justice George Rossman wrote the majority opinion handed down Thursday, with Justices J. O. Bailey, Hall S. Lusk and Percy Kelly concurring. Justices James T. Brand and Arthur D. Hay dissented.

Justices Bailey and Lusk changed their positions after having supported general fund use of the surplus in the July 15 minority opinion. Justice Harry H. Bell, now vacationing in Canada, had opposed general fund use in the July decision.

As a result of yesterday's court ruling, a general fund deficit of \$6,000,000 to \$8,000,000 is expected. This would be placed before Oregon voters as a property tax levy at the November general election but would, if approved, be offset by funds from the income tax surplus.

This follows the 19-year-old Oregon pattern based on the 1928 legislative act providing that all revenue from the state income tax be used to reduce property taxes. By now the tax surplus amounts to some \$40,000,000.

Attorney General George Neuner had held in a formal opinion last February that the income tax surplus could be considered as miscellaneous receipts in the state general fund after any existing property tax levy was offset. The Sprague suit, generally considered a friendly suit to settle the tax interpretation through the courts, was filed in Marion county circuit court. After arguments were heard, Circuit Judge George R. Duncan backed Neuner's position by dismissing Sprague's suit.

PORTLAND, Aug. 19-(AP)—State agencies looked for other sources of revenue today after a decision by the state supreme court against using surplus tax revenues for current expenses.

The state system of higher education had counted on getting \$12,000,000 of the \$14,000,000 of surplus fund for new buildings, Special Tax Levy.

Chairman Edgar W. Smith said there now was no choice except to get up petitions for a special tax levy on the November ballot.

Current estimates are that the welfare commission will wind up with a \$4,000,000 deficit next year. Chairman Jack Luhn of the welfare commission said the agency would have to issue deficit warrants and leave the 1949 legislature to find a way to meet them.

Other state institutions also had expected to get funds for buildings from the tax surplus. They are expected to go to the next legislature with new demands.

Draft Board to Be Ready for Registration

Hans (Curly) Hofstetter, new temporary chairman of the Marion county draft board, announced Thursday night that he expects to have the board in full working order by August 30 when 25-year-olds will begin to register.

Hofstetter announced that the board will employ one clerk, yet to be named, at the office to be located on the second floor of the Steusloff building, on Court street over the Doughton Hardware store. Applications for clerks were considered by the board at a meeting held Thursday.

Other members of the four-man board are Paul Hendricks, C. W. Bartlett and John Black, all of Salem.

Further announcement will be made in the near future, Hofstetter said, concerning the schedule for other age classifications listed in the new draft law.

MORSE HERE BRIEFLY

U. S. Senator Wayne L. Morse stopped in Salem briefly Thursday morning, landing here in a United Air Lines plane en route from the east. He was met at the airport by friends in an automobile, and left for home in Eugene.

OUR SENATORS

