

Probers to Supoena Alleged Leader of Soviet Underground

WASHINGTON, Aug. 24.—(AP)—Congressional spy probers expected to subpoena a long-sought prize witness Monday in earlier testimony as chief of a prewar red underground in the United States.

Informed today that Peters is due Monday at deportation proceedings in New York, Acting Chairman Mundt (R-SD) of the house un-American activities committee said: "We are going to have our man there."

And in New York, Mrs. Carol King, attorney for Peters, said her client will be on hand.

Whittaker Chambers, claiming to have served the underground before renouncing communism, has testified to the committee that to the best of his knowledge Peters headed it.

Location Uncertain
Immigration Commissioner Watson B. Miller told the committee of the deportation hearing, The immigration service said it doesn't know where Peters is now. He is under \$5,000 bond.

Mrs. King said in New York that her client "certainly will show up" Monday. She added that Peters' real name is Alexander Stevens, but declined to say where he could be reached.

Hearing Illegal
The attorney said the deportation hearing would be "completely illegal." She said "They're going to a lot of trouble to serve a subpoena on Stevens. The un-American activities committee could have gotten in touch with me and I could have arranged to have the subpoena served. They didn't have to hold this illegal hearing." She did not elaborate.

In another development in Capitol Hill's anti-subversive campaign, the senate investigating committee announced that Attorney General Tom Clark has offered to meet with Chairman Ferguson (R-Mich) on September 8 to discuss Ferguson's demand for loyalty data on federal workers.

To Ask Question
Ferguson wants information on the William W. Remington case. He is a state department official who Ferguson says was transferred to a confidential position while undergoing an FBI check. The senator wants to know whether government agencies have ignored FBI notices in personnel shifts while investigations are under way.

Meanwhile, the house committee received an angry protest from Alger Hiss, former high-bracket federal official, who accused the committee of "verdict-first, testimony-later tactics" and urged the house group to "get down to business" in its spy inquiry.

Hiss Sends Letter
Hiss sent a seven-page open letter to Chairman Thomas (R-NJ), challenging the committee to "delay no longer in penetrating to the bedrock of the facts relevant to the charge which you have publicized—that I am or have been a communist."

Hiss put out his letter to news-

men as the house committee concluded a day-long session of questioning five new witnesses behind closed doors, setting the stage for tomorrow's face-to-face meeting between Hiss and his accuser, Chambers.

To Face Each Other
The two key figures will confront each other publicly for the first time when they appear before the committee in open session. At that time, committee members told newsmen they expect to straighten out the sharply conflicting stories related by the two. Today's witnesses included a short, thick-set negro woman, identified as Elise's former maid; three officials of a Washington automobile agency, and Louis Budenz, former editor of the Daily Worker, Communist newspaper.

3 Injured in Truck, Auto Wreck on 99-E

Three persons were injured, one seriously, Tuesday night in an auto-truck collision at the intersection of highway 99E and Pringle road, south of Salem.

Taken to Salem General hospital with a compound fracture of the arm and bruises of the shoulder and hip was Lena Martin, Portland. Attendants late Tuesday night said the full extent of her injuries had not been determined.

State police said Miss Martin was a passenger in a light truck driven by Phillip W. Roberts, Bremerton, which collided with a car operated by John Gustaf Erickson, Salem route 5, box 161. Two other passengers in Roberts' car, Mr. and Mrs. Harold McArthur, Prineville, suffered bruises but were released after treatment. Roberts, Erickson and Erickson's son, Robert, all escaped unhurt.

Investigating officers said both vehicles were practically demolished when Erickson's auto, heading west on Pringle road, collided with the truck, moving south on highway 99E. No arrests were made, police said.

POLIO CASE IN PORTLAND
PORTLAND, Aug. 24.—(AP)—The city health bureau reported today that an 11-year-old girl has been stricken with poliomyelitis, the eighth case in the city this year.

Ship to Inaugurate Portland-Alaska

PORTLAND, Aug. 24.—(AP)—The steamer Henry D. Lindsay, due to start regular direct Portland-to-Alaska shipping service, berthed here today.

H. H. Wrightson, manager for the coastwise line, said departure would be delayed until next Monday because of the heavy out-bound cargo to be loaded.

The vessel came here from San Francisco and will sail for Seward and Whittier. A second Alaska bound ship is expected to call here for cargo about September 15.

Survey Shows Market Basket Cost Ascent

(Story also on page 1.)
WASHINGTON, Aug. 24.—(AP)—The family "market basket" cost more in June than ever before.

Its retail cost rose from an annual rate of \$693 in May to \$705. The June level was more than 1 per cent above the previous record of \$695 in January, 1948. It exceeded the World War I record of \$615 (June, 1920) by nearly 15 per cent. And it was 107 per cent higher than the 1935-39 average.

In figuring the cost of the "market basket" the agriculture department used average annual purchases of farm food products for a family of 3 average consumers in the 1935-39 period.

Prices paid farmers for food products advanced nearly 4 per cent from May to June. They still were about 6 per cent below the record high for January, 1948, however.

The farmer's share of the consumer's dollar spent for farm products averaged \$1 per cent in June, the department said. Put another way, the farmer received \$359 for food products which cost \$705 at retail. The remaining 49 per cent went for "marketing charges."

Retail cost of the meat products in the family "market basket" advanced 5 per cent from May to June. The June level of retail meat prices was 17 per cent higher than a year earlier.

Average prices of fresh fruits and vegetables dropped 1 per cent—fresh vegetables 7 per cent with prices of apples and oranges higher.

Horse Loses to Gravel Truck

A horse and rider came out second best Tuesday in a collision with a gravel truck in the 1400 block of Center street, city police reported.

Officers identified the horseman as Ray Blanchard, 3555 Garcon road, who suffered a head laceration when his steed was struck by a truck driven by Clarence D. Hawley, 950 S. 12th st. The horse was knocked off its feet by the impact and sustained leg cuts.

Police said the accident occurred when the horse shied from a parked car and ran into the truck's path. Blanchard was treated by city first aid men, the horse by a veterinarian.

Chest Asks 5 Hours Pay

A plan for the voluntary deduction of five hours pay from employees' envelopes, for contribution to the Community Chest, was approved by the board of directors at a meeting of 20 business leaders Tuesday with Harold Robertson, head of the industrial division of the Salem chest.

Police said the accident occurred when the horse shied from a parked car and ran into the truck's path. Blanchard was treated by city first aid men, the horse by a veterinarian.

Speakers at the meeting, held at the Marion, were A. C. Haag, community chest president, and Al Loucks, general chairman of the 1948 campaign.

The five-hour deduction plan was declared to be the lowest employee-contribution program yet used successfully in community chest drives. The chest campaign is scheduled October 5-15.

Injunction Stalls Strike in East
NEW YORK, Aug. 24.—(AP)—The east coast longshoremen's strike was held off again today by a Taft-Hartley act injunction effective for 90 days. Both the union and shippers agreed to it.

Federal Judge Harold R. Medina ordered the cooling-off period in the overtime pay dispute. The injunction extended a temporary stay which prevented a strike last Saturday.

COURT TO MEET SEPT. 14
The state supreme court, now on summer vacation, will reconvene September 14, Arthur S. Benson, court clerk, announced Tuesday.

WATERS FIELD
Sat. Night, August 28
Johnny Price
World's Greatest Trick Baseball Artist
Performance Starts Promptly, 8:15 P. M.
BALL GAME FOLLOWS
Salem Senators
vs.
Spokane

School District Board Tackles HCL Problem

By Robert E. Gangware
City Editor, The Statesman

Salem school district's board of directors grappled with the high cost of living Tuesday night and Superintendent Frank E. Bennett reported that staff and plant are just about ready for the opening of public schools September 13.

The board at its meeting in the public school administration building awarded a contract to Nelson Bros. of Salem for installation of an oil heating system at Garfield school on low bid of \$9,903, against the school budget estimate of only \$6,000. Balance will come from the emergency fund.

Garfield's wood furnace has already been removed. School engineers, reestimating the cost of the new furnace system, upped the estimate to \$8,500 this summer. Only other bidder for the oil heating system was Buchanan Co. of Portland, at \$11,980.

The board also authorized payment of 2 per cent interest to banks extending term loans, which enable the district to pay its bills on a regular basis, before tax levy and other revenue arrive. Rate of interest in the past year has been 1 1/4 per cent.

Bids Referred
Eight bids on fuel oil, gasoline and lubricants were referred to Clerk C. C. Ward for tabulation and to Gardner Knapp's supplies committee for action. All companies qualified their bids by indicating they would charge the current price at time and place of delivery. Most of the gasoline prices were quoted, at current level, at about 18.7 cents per gallon.

Board members gave their tentative approval to a low bid of \$2,226 submitted by Radio Sound Systems of Portland for installation of a Stromberg-Carlson intercommunications system in Parish junior high school. Before final approval is given, school officials are to check with Eugene schools now using that type of public address and radio system.

Received Resignations
The superintendent told the board he had received nine teacher resignations since the July board meeting and recommended appointments to fill all vacancies except that of instrumental music supervisor. Vernon Wiscarsen recently resigned the latter post to enter business in Salem.

The board reinstated Eva Madson, former teacher here who resigned her tenure after leave of absence of two years, and hired six junior high and one elementary teachers. Resigned, besides Madson, were Amanda Hargis, Sara Hanten, William Seeley, Jean Burgess, Velma Glisier, Effie Forsberg, Irene M. Horning and Dorothy Long. The latter three were to have taught in Salem for the first time.

The school board also agreed to a first option to negotiate with the Marion county court on rental space expected to become available in the school administration (old high school) building. The state unemployment compensation commission and other state departments now housed there will move to the new state office building being erected at Court and Capitol streets.

County Judge Grant Murphy sent a letter to the county commission asking the county which will be looking for office space in another year or two when the present courthouse is replaced by a new building on the same site.

Alaska Reports Albacore Tuna

ASTORIA, Ore., Aug. 24.—(AP)—The first commercial catches of albacore tuna in Alaska history were reported here today by a fish company.

The New England fish company said five Pacific northwest boats delivered the fish at its Ketchikan plant. The size of the catch was not reported.

The company said the fish were taken north of the Queen Charlotte and Graham islands, probably because the Japanese current had shifted warm waters (about 64 degrees) farther north.

Tuna prices have not been fixed for Alaska. They are expected to be under the \$600 a ton paid here, because handling and transportation costs are higher in the territory.

After hearing the report, several Astoria boats left for the Alaskan waters.

20-30 Club Hears Crose

Al Crose, supervisor of the state department of veterans' affairs, was featured speaker in a meeting of the Salem 20-30 club at the Gold Arrow restaurant Tuesday night.

Crose gave the history of the Oregon veterans' department from World War I up to the present day and answered questions for 20-30 members.

HOLLYWOOD
Now Playing - Opens 6:45
Bob, Son of Battle
In Technicolor
SECOND FEATURE
"Western Heritage"
with
Tim Holt, Nan Leslie

Help Needed In Bean Fields To Save Crop

Saving of another Willamette valley crop -- this time it's the beans -- is dependent upon the appearance of another 500 to 600 pickers this week, according to the state employment service.

The harvest hits its peak this week, continuing through the weekend, said Manager W. H. Baillie of the Salem office. He urged especially that pickers now in early fuggles hops aid with the beans between early and late hop crops.

The office will act as headquarters where growers pick up pickers and will give directional information to drive-outs. There is still room for campers.

The recent rains, which caused some already heavy hop vines to topple to the ground, have not delayed the ripening of beans, said Baillie, and the crop is heavy.

Reds Call Off Berlin Vote; End Kidnaping

By George Bria

BERLIN, Aug. 24.—(AP)—Tension eased today in blockaded Berlin as the Russians appeared to have given up, at least temporarily, their series of kidnap raids into the western sectors.

Berliners turned their attention to Moscow reports which told of new hope for a settlement of the 61-day-old crisis brought on by the Russian blockade.

On the internal political front, Marshal Vassily D. Sokolovsky, Soviet zone commander, announced that elections in the Russian zone have been postponed for one year. It was the first time an occupying power has postponed elections.

"Divert Population"
Sokolovsky said that if time were taken for the election now, "the danger of democratic organizations and the population in general would be diverted from a practical solution of their economic problems and the task of improving the general living standard."

The French - licensed newspaper Der Kurier commented that the Russians were striving to hide the political and economic bankruptcy of their zone. Anti-communists long have predicted the move on grounds that the Russians stand a communist defeat.

Army Patrols Quiet
Along the city's powderkeg Potsdamer square, where the American, British and Soviet sectors meet, red army patrols were quiet after days of border-raids ostensibly aimed at black marketers. German and American officials had charged the Russians were attempting to terrorize the anti-communist population.

The British said they had abandoned plans to string up barbed wire between their part of the square and the Russian side. Some wire was strung Saturday but it has since been removed. British officials said they had found it unnecessary to go on with the job.

4 Crewmen Killed
In the air lift over the Russian blockade, tragedy struck again with the collision of two American C-47 transports in the air near Frankfurt. Four crew members were killed, bringing to nine the total of Americans killed in crashes during the air supply operation.

The accident marred the U. S. air force's new record day of 3,020 tons of supplies in 393 flights. The Royal Air Force formation of fighter planes, believed to be Russian Yaks, flew over western Berlin at a high altitude late today. American and British officials said the Russians had not notified them -- as is required -- of a flight of their planes.

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9 Perish as Two Airforce Planes Collide

NEWTON, N. J., Aug. 24.—(AP)—Nine persons were killed today when an air force C-47 transport plane crashed and burned after colliding with another plane. The transport hit a B-25 medium bomber and later crashed. The bomber suffered a severed wing tip but returned to its base safely.

There was some conflict in reports from air force spokesmen. Capt. J. A. Ziccarelli, public relations officer at Middletown, Pa., air base, said the transport left there at noon with seven enlisted chaplains' assistants and two crew members aboard.

An air force spokesman at Bolling field, Washington, however said the crashed ship started from there headed for Stewart field, N. Y. And those known aboard were two officers and five enlisted men who got on at Bolling and two enlisted men picked up at Olmstead field near Harrisburg, Pa.

For Religious Meeting
Bolling field officers said that the passengers aboard the crashed ship were headed for a Connecticut religious meeting, but unlike many other enlisted men going there were not chaplains' assistants.

The men in this particular plane, the officers said, were only lay leaders of religious thought in their units, chosen by their chaplains for the visit to a protestant retreat at West Redding, Conn.

Burst Into Flames
The transport crashed in rolling farm country and immediately burst into flames. The charred and mangled bodies were found strewn among the wreckage which was scattered over an area of several hundred yards.

Russell Blakeslee, Newton dairy farmer, said the plane flew in from the southwest "only 400 to 500 feet above ground" in apparent trouble, curved to the left and went into a loop. The transport gained about 200 feet before falling into a talspin, he said.

State police at Newton said the plane was "completely disintegrated" and that they found nine bodies "burned beyond recognition."

At Stewart field, N. Y., authorities said none of the crew of the second plane, a bomber was injured.

65 Chaplains Expected
Col. Charles E. Carpenter, in Danbury, Conn., to supervise the meeting in nearby West Redding, said 65 air force protestant chaplains were expected, all to be flown there in army transport planes.

He said unless the crashed plane was one he "didn't know about" it was one scheduled to land at Danbury airport at 4:55 (EST).

The plane left Middletown, Pa., at noon.

Crew members of the B-25 in an official statement released at Stewart field said their plane was "flying along at cloud level when suddenly a plane seemed to loom out of the clouds."

The pilot veered sharply to the right, the statement said, and the crew felt a "not too severe jolt." Then, the crew said, they noticed they had sheered a wing tip and returned to Stewart field. They reported they had not seen the transport in trouble.

Countercharges Result from Auto Wreck Argument

Two Salem men will be arraigned in court today on charges brought against each other following an argument over an auto collision in Salem Monday night.

They are Ray Hawkins, 1854 N. Winter st., to appear in Marion county district court on a charge of threatening to commit a felony, and Dean Mahaffey, 1076 Highland ave., cited to appear in municipal court on a charge of tampering with an auto.

Mahaffey, in his complaint, alleged Hawkins threatened him with a knife after the cars collided in the Hollywood district. Hawkins charged that Mahaffey put his fist through his auto's rear window as he drove away from the crash scene. Neither car, police records show, was seriously damaged.

3 Juveniles Charged With Auto Stripping

Three Salem juveniles were charged with auto stripping Tuesday following their arrest by city police Monday night.

Two of the youths, 16 and 17, were held in the Marion county juvenile ward, while a 15-year-old was turned over to juvenile authorities.

Police said they were called to the 1500 block of Chemeketa street when neighbors reported suspicious activity in the vicinity. The trio fled from a car which they were stripping when officers arrived and succeeded in eluding the police.

Later one youth was arrested when he returned to pick up a car which they left in the neighborhood. His arrest led to apprehension of the other pair, police said.

Questioned by police, the youths admitted removing a tire and wheel from a car at North Front and Division streets and another tire and wheel from an auto at the Paulus Brothers cannery.

State Board's Building Site Decision Near
Secretary of State Earl T. Newbury said Tuesday that selection of a site for the proposed \$2,500,000 state office building in Portland may be announced by the state board of control within 30 days.

Newbury said he had reached a decision regarding the site and was ready to report to other board of control members. Members of the board, other than Newbury, are Governor John H. Hall and State Treasurer Leslie M. Scott.

"I hope an architect may be employed at an early date so that actual construction operations may start early next spring," Newbury said.

Sites most discussed are the Holiday Park addition in East Portland and the vicinity of the Plaza blocks in West Portland. The former site has the support of the East Side Commercial club while the latter site is being urged by the Portland city planning commission.

Virginia Demos To String Along With Truman

WASHINGTON, Aug. 24.—(AP)—States' rights democrats opposing President Truman received a jolt today with the news that Virginia's 11 democratic party electors probably will string along with the Truman-Barkley ticket.

Southern bolters working for the Thurmond-Wright presidential ticket as a protest against Mr. Truman's civil rights program said they are still hoping, however, to get on the Virginia ballot -- as independents, if not democrats.

Another Dixie democrat development was the refusal of Gov. J. C. Strom Thurmond of South Carolina to state rights party candidate for president, to call a special session of his state legislature to revise election laws. He said it would be "inadvisable."

Requested Session
A Greenville county democratic state convention was called for the session. It contended that unless the legislature outlines the method for selecting presidential electors, the state's electoral college vote for this year may be challenged in court. A law providing for nomination of electors by the state democratic executive committee was repealed in 1944.

Thurmond left Columbia, S. C., today for campaign conferences and a speech Thursday in Arkansas.

Working on Plans
The major party candidates were quietly working out campaign plans. President Truman on the yacht Williamsburg and Gov. Thomas E. Dewey at his farm at Pawling, N. Y.

Henry A. Wallace, progressive party presidential candidate, was campaigning in Kentucky and Ohio. In a speech prepared for delivery at Louisville, Wallace asked Mr. Truman to defer the draft and turn the present Moscow talks into a "great conference" on all differences with Russia.

Mrs. Eaton's Hearing Today

A hearing on the appeal of Mrs. Julia Eaton, discharged employee of the Oregon civil service commission in Portland, will be heard by the commission in Salem today.

In dismissing Mrs. Eaton, the commission stated that she wrote an article for a San Francisco magazine, criticizing her employers, Mrs. Eaton denied the charge and appealed to the civil service commission for a hearing.

Commission members said most of one day would be required to hear the appeal.

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