

IT SEEMS TO ME

By Charles F. Sprague

Corporate profits are expected to hit \$21 billion this year, and their size has started a scramble for a cut in the swag. A senate subcommittee has been holding hearings to learn if the profits are excessive and if so what to do about them.

Spokesmen for labor organizations asserted they were too high and that companies should part profits by raising wages of workers. Stockholders have been grumbling for some time that they are the forgotten men and women in the distribution of income. Their dividends have inched up slowly or not at all while income statements show their companies are earning more money than ever. Hungry taxgatherers look at the corporation earnings reports and their mouths start to drool. "Excess profits tax" is their prescription to cut the profits down to size and provide more funds for public spending.

Consumers, feeling the pinch of higher prices, complain that goods are priced too high and insist that corporate reports prove that prices could be reduced. Some professional economists declare that the dollar profits are fictitious. They are buried in higher valuations of inventories, in bigger volume of working capital required to carry on business and so are not available for spending for taxes, or wages or price cuts.

Corporation managers stress the fact that they have

(Continued on editorial page)

Tension Eases Following End Of U.N. Session

PARIS, Dec. 13—(AP)—Dr. Herbert V. Evatt, president of the United Nations assembly, said tonight international tension has eased as a result of the assembly session which ended yesterday.

"The temperature is not yet normal," the Australian foreign minister told newsmen, "but the fever has abated."

Evatt gave his views as delegates dispersed from their home countries after the 12-week meeting. Only representatives of the 11 security council members remained here for further meetings.

The security council was handed a red-hot issue today when the American-sponsored Republic of Korea applied for U. N. membership.

The assembly voted its approval of the new government of southern Korea just before it adjourned. The vote was 48 to 6, with the Russian bloc alone opposing it. Russia is expected to oppose—and probably veto—the republic's membership application.

Walsh Clinches Deciding Vote In Road to Senate Presidency

Sen. William Walsh, Coos Bay republican, appeared today to have definitely assured himself the 1949 senate presidency.

The attorney-legislator had all but clinched the title last week as shown in a Statesman recapitulation Sunday, and all reasonable doubt was removed yesterday when Sen. August Flegel of Portland declared Walsh would have his vote.

The lineup as of this morning appears as Walsh 16, Sen. Carl Engdahl of Pendleton 13. The 16 is a majority of the 30-member senate. Only unpledged senator is Richard Neuberger, Portland democrat, who has announced he will vote for neither.

Until the week-end, Walsh apparently had 13 votes, Engdahl 14. The tide turned when Sen. Elmo Smith of Ontario, whom Engdahl said was pledged to him, was claimed by the Walsh camp, and Frederick Lamport of Salem, named to succeed Gov.-elect Douglas McKay, also announced he was for Walsh.

That left the county 15 to 13 for

Walsh, and the Flegel vote gave him the majority.

Walsh was a candidate for the senate presidency twice before, the last time in 1947 when he was edged out by the late Sen. Marshall Cornett of Klamath Falls, victim of the October, 1947, plane crash in southern Oregon.

The senate president is first in line in succession to the governorship, and corresponds to a lieutenant governor.

Engdahl, in effect, Monday released those pledged to vote for him, announcing that, "if they feel like going over, that's fine. I want to leave it up to each individual's judgment."

Later, Sen. Frank H. Hilton, Portland, said his pledge to Engdahl had been released and he would "help make it unanimous for Walsh."

As of Monday the Walsh pledged:

J. J. Lynch, Portland; Allan Carson, Salem; Dean Walker, Independence; Marie Wilcox, Grants Pass; William McAllister, Medford; Tom Parkinson, Roseburg; Eugene Marsh, McMinnville; Paul Patterson, Hillsboro; Irving Rand, Portland; Austin Dunn, Baker; Howard C. Belton, Canby; Truman Chase, Eugene; Fred Lamport, Salem; Elmo Smith, Ontario, and Austin Flegel Jr., Portland. All except Dunn and Flegel are republicans.

Engdahl had six republicans, including his own, and seven democrats: Stewart Hardie, Condon; Frank H. Hilton, Portland; Phil Hitchcock, Klamath Falls; Angus Gibson, Junction City; Rex Ellis, Pendleton—all republicans; Ben Musa, The Dalles; Orval Thompson, Albany; Tom Mahoney, Portland; Vernon Bull, La Grande; Jack Bain, Portland; Russell Gardner, Newport; and Robert D. Holmes, Astoria—all democrats. Unless the picture changes again, Walsh will be nominated at the pre-legislative caucus here the night of January 9, and formally elected on the senate floor the following day.

The apparent election of Walsh is expected to lead the immediate, if tentative, committee appointments, in some instances thus allowing work in advance of the legislative session.

Rep. Frank Van Dyke of Medford, who apparently has clinched the speakership of the house, already is known to be working on his committee, and met with Rep. W. W. Chadwick and other legislators in Salem Sunday.

Railroad Brotherhoods Postpone SP Strike

(Story in Col. 4)

The Oregon Statesman

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Council Appoints Severin for Post

By Robert E. Gangware
City Editor, The Statesman

Salem's city council Monday night plunged into issues stemming from the recent general election, including replacement of a civil service commissioner, change in firemen's hours, a franchise for Sam Electric and temporary zoning of annexed territory in Polk county.

But the only completed action in this complicated set of issues was designation of Richard G. Severin, local insurance man, to replace A. A. Gueffroy on the city civil service commission. The council accepted the telegraphed resignation of Gueffroy who indicated he would step out in order to expedite hearing of the appeal of Detective Hobart Kiggins and Patrolman Leland Weaver who were fired from the police force for alleged political activity in opposition to city manager government.

Aldermen recognized of the voters' mandate to reduce firemen's work hours from 82 to 63 per week when they approved Thomas Armstrong's motion for a committee investigation into how soon the change can be effected. (It depends upon availability of funds pending next year's special tax levy which the ballot measure carried.) Mayor R. L. Elfstrom named Armstrong chairman and David O'Hara and James Nicholson.

Livelier discussion centered in consideration of Salem Electric's petition for emergency permission to install an auxiliary transmission line in Salem. The voter-approved franchise plan for the cooperative electric utility in Salem awaits necessary enabling legislation.

Aldermen voted to defer the transmission line request until the franchise bill directed by the voters comes up for final action at the December 27 council meeting.

Jack Frisbie told the council the peak electrical demand of this time of year, plus the recent Salem Electric four-hour blackout in West Salem, prompted the request. The 13,000-volt line would interconnect systems in downtown Salem (now served from the West Salem Bonneville substation) with Salem Electric's north Salem substation.

Alderman Daniel J. Fry and others indicated it would be advisable to put the franchise into effect before considering the request and Mayor Elfstrom said a hasty check of the cooperative's plans indicated 32 of the 40 poles required for the line from Cherry avenue via Locust and Front streets would require joint ownership with Portland General Electric.

A bill was passed to temporarily close newly annexed territory in Polk county as class I residential west of Wallace road and class III business east of the road. This ordinance will not go into effect, however, until the injunction suit against the annexation is settled. (Additional council news on page 2.)

POLING RITES CHANGED
CORVALLIS, Dec. 13—(AP)—Funeral services for Dr. Daniel V. Poling, 83, prominent state leader in Congressional church, education and youth activities, have been changed to Thursday.

Weather

	Max.	Min.	Precip.
SALEM	44	32	.06
Portland	42	30	.06
San Francisco	74	46	.23
Chicago	54	28	.00
New York	58	48	trace

Willamette river, 21.3 feet.
Forecast (from U. S. weather bureau, McMary field, Salem): Cloudy with intermittent light rain mixed with snow today and tonight. Continued cool with the high near 38, low 30.

SALEM PRECIPITATION
(From Sept. 1 to Dec. 14)
This Year Last Year Average
18.18 16.19 13.40

MEEHAN DIES AT PORTLAND
PORTLAND, Dec. 13—(AP)—J. C. Meehan, 60, general secretary of the Portland YMCA, died here today after a short illness. He had planned to retire at the end of the year.

Camp Meehan, YMCA summer camp at Spirit Lake, Wash., was named after him.

Deadline Slated in January

SAN FRANCISCO, Dec. 13—(AP)—Firemen and engineers today postponed to Jan. 18 a strike they had scheduled for Wednesday against the Southern Pacific railroad in seven western states.

Officials of the Brotherhood of Locomotive Firemen and Engineers here and in Cleveland explained this afternoon that federal mediation efforts offer hope of reaching a settlement and "we decided to allow them more time." Also, "we don't want to inconvenience Christmas travelers."

The new strike deadline, in event no settlement is reached, is 6 a.m. Jan. 18. It would involve 3,000 union members and halt Southern Pacific's Pacific division operations, union officials said.

Confirmation of the postponement came from President D. E. Robertson of the Brotherhood, in Cleveland, and from G. A. Mead, vice president now in San Francisco participating in the peace talks. Federal mediator William F. Mitchell reported a few hours earlier that the strike was postponed "for at least 30 days."

Salem Groups Plot Campaign For New Span

Both the city council and the long-range planning commission of Salem are preparing to urge early approval for a new Willamette river bridge at Salem in appearance at a state highway commission meeting this month.

Alderman Albert H. Gille Monday night at a city council meeting stressed that Salem must keep a bridge request constantly before the highway commission, as well as a bid for early commission decision on the eventual relocation of the Pacific highway through Salem.

At his behest Mayor R. L. Elfstrom was instructed to name a committee to appear at the highway commission meeting. Elfstrom said the council would be represented by its special highway committee including Gille, Alderman Daniel J. Fry and City Manager J. L. Franzen. He is to add three citizens later.

The long range planners are to discuss bridge matters at a meeting tonight at Salem Chamber of Commerce. Its engineer, C. A. McClure, has prepared a summary of arguments in favor of a new bridge and a comparison of two suggested locations, favoring a new four-lane bridge from Division street to the erection of a two-lane bridge at Marion street, and establishment of one-way traffic there and on the present center street bridge.

In connection with the city council's highway discussion, Alderman David O'Hara told fellow aldermen he had learned from "a highway department employe of considerable authority" that the state would install by February traffic signal lights at Pacific highway intersections of Fairgrounds road, Market and D streets.

Accused Persons Get New Protection In Court Rulings

WASHINGTON, Dec. 13—(AP)—The supreme court raised strong new bulwarks today to protect the rights of persons accused of crime.

1. Regardless of whether there is any "third degree," a confession is invalid if it is obtained while a prisoner is being held illegally through failure to carry him promptly before a committing magistrate.

2. An actual emergency must exist to justify search and seizure without a warrant.

3. A person accused of serious crime has the unqualified right to counsel when he needs that help for adequate defense.

Willamette To Crest at 23.5 Feet Here; Upriver Residents Return To Homes After Weekend Floods

Farm Bureau Faces Battle Over Controls

ATLANTIC CITY, N. J., Dec. 14—(AP)—The American Farm Bureau Federation convention faced a bitter fight today on the question of extending government controls to the production and sales of all farm products.

Authority for such controls is limited now to the so-called basic crops—wheat, corn, cotton, tobacco, peanuts and rice.

Delegates from areas producing fruits, vegetables, tree nuts and many other minor crops are supporting a proposal advocating legislation which would extend acreage allotments, marketing quotas and marketing agreements to all farm commodities.

Touchy Debate
The convention also was confronted with a sharp battle over the issue of whether government price supports should be kept at high wartime levels or be allowed to go down next year in keeping with a long range farm law passed by the republican-controlled 80th congress.

Both issues are not likely to be settled until Thursday, the last day of the bureau's 30th annual convention.

President Allan B. Kline has indicated that he would resign if the convention voted to advocate broadening of government controls.

The fight for extending controls to all products was being led by President Herbert W. Voorhees, Trenton, of the New Jersey farm bureau.

Asks Support
Likewise, President H. L. Wingate, Macon, the Georgia farm bureau, spearheaded a southward drive to get the convention to go on record for high price supports. He had active aid from delegates from Alabama, Mississippi, North Carolina, Tennessee, Louisiana, Texas and Oklahoma.

Kline said extension of production and marketing controls to all crops would require the creation of a "vast army" or government officials. Furthermore, he said, it would lead to "complete regimentation of all agriculture."

Convention support of Wingate on high price supports would involve a reversal in previous farm bureau policy.

Stadter Picks Staff Members For DA Office

A complete new staff will take over the Marion county district attorney's office on January 3. E. O. Stadter, jr., district attorney-elect, reported Monday.

Stadter will move in with two new deputies to replace the two present deputies who declined to serve additional terms. The new aides are Sam B. Harbison and Gordon Moore. Retiring are Lawrence Osterman and Reginald Williams.

Miller B. Hayden, defeated by Stadter for the republican nomination in the May primaries, announced Monday his future plans have not yet matured. He indicated he may accept a position which might call him away from the city temporarily.

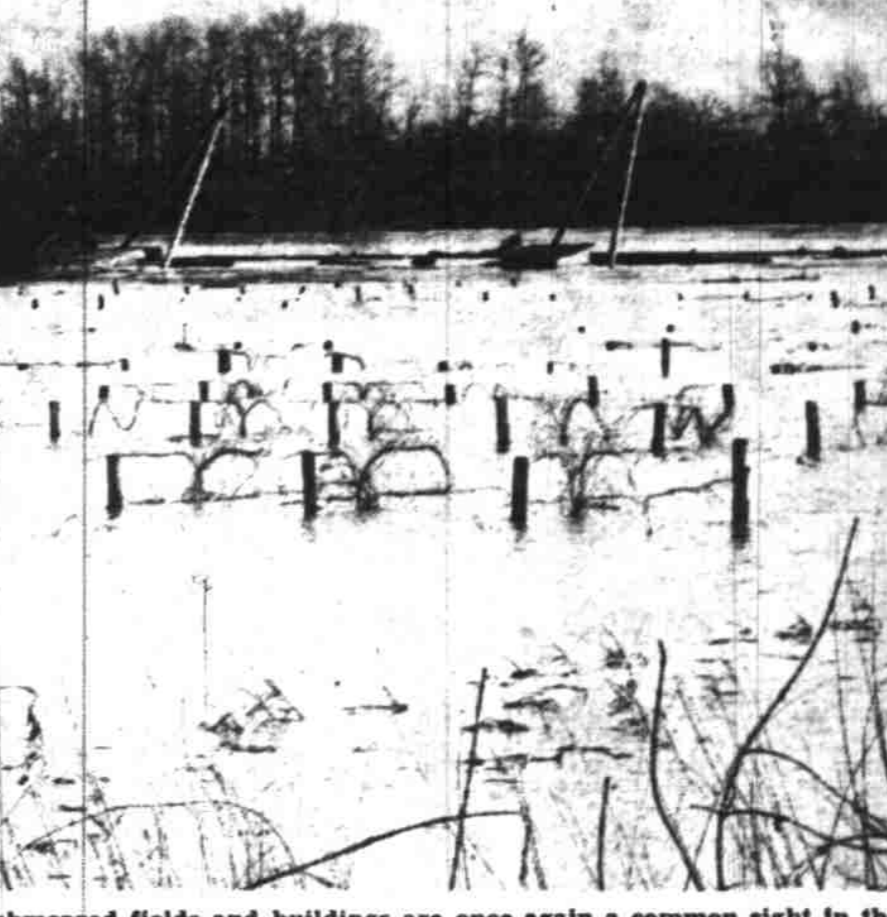
Harbison is a native of Salem and has practiced law there since his graduation from Willamette university college of law in 1940. He is at present associated with the law firm of Keyes & Page.

Moore came to Salem from Tigard in 1938. He received his bachelor of arts degree from Willamette university in 1942 and graduated from law school there this year. He is presently associated with Attorney Bruce Spaulding.

Osterman and Williams have announced they will open a law office on January 3 in room 327 of the Oregon building. Osterman joined the district attorney staff in 1944.

Williams, formerly with the office of the attorney general in Oklahoma, joined the district attorney's office in 1946.

Floodwaters Roll on Low Areas



Submerged fields and buildings are once again a common sight in the Willamette valley as high waters inundate lowlands. Today will see the crest of the present flood. Above are the berry and corn fields of Harold Elbert on the Dallas highway about a half mile west of West Salem, with the Pope-Talbot Co. log dump buildings and cranes sticking above the water on the river's regular bank. (Photo by Don Dill, Statesman staff photographer.)

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Little Damage Expected as Waters Pass

The flood crest of the unruly Willamette river moved swiftly toward Salem and a broader channel early this morning and little local damage is expected when the surge reaches an anticipated high of 23.5 feet shortly before noon.

The forecast crest is 3.5 feet above flood stage, and only extremely low areas will be seriously affected. Traffic is expected to continue normally over the West Salem bridge unless the river goes over the 26-foot mark. West Salem merchants at the foot of the bridge were open for business as usual Monday night.

The second Willamette flood of the year is expected to hit four feet below the high of 27.5 measured in Salem last January 9 when the West Salem bridge was closed for one day. In other floods during the past decade the river hit 30.6 in 1943 and 28.4 in 1945.

Mayor Walter Musgrave of West Salem said auxiliary police have been alerted to be ready for duty if the river rises over the 23.5-foot mark. The reading at 12:30 a.m. today was 21.3.

G. R. Boatwright, Marion county Red Cross disaster committee chairman, said the local disaster unit was prepared for any flood emergency, but thus far there had been no need for rescue work.

The river crested in the Corvallis-Albany area Monday night without causing serious trouble. It reached a peak of 24.9 at Corvallis at 6 p.m.—4.9 above flood stage—and then began dropping.

At Eugene, trailer residents moved from Glenwood suburban areas were gradually moving back as the river dropped to near normal. Some 500 persons were evacuated early Sunday.

Only when all 20 projected dams are completed can the valley have much assurance that flood damage will no longer be experienced every year.

The portion of the project already completed, however, has cut the force of the floods, engineers said.

Two dams—the Fern Ridge and Cottage Grove—have been completed. They stored enough water in the spring flood of this year to cut damage materially, engineers said. The flood reached 23.5 feet at Salem, and engineers said it would have been 28.4 feet without the dams.

Three other dams are under construction. Lookout Point on the middle fork of the Willamette, Dorena on the Row river, and Detroit on the North Santiam.

The Santiam at Jefferson fell about four feet from a high of 15.7 feet yesterday and was still dropping late Monday night. The flooding river, however, changed course during the week end overflow. The river rose along the overflow slough about one-half mile south of the new Jefferson bridge on highway 99E.

Should the change be permanent, federal engineers said, the recently finished highway bridge over the river would be cut off.

Only one state highway remained closed because of high water. Highway 20 between Corvallis and Albany is still blocked by flood water at several points, state police said.

Two Marion county roads were blocked by three slides over the week end, but road crews Monday night had reopened one. Other slides in the Detroit area have disabled telephone service between Salem and Detroit.

A slide took away a large section of road along the Albany creek east of Silverton and the road was still closed Monday night.

Berlin Mayor Proposes Kommandatura Return

BERLIN, Dec. 13—(AP)—Western Berlin's new mayor, Ernst Reuter, proposed today that the western allies reorganize the allied Kommandatura without the Russians and abolish the boundaries between the American, British and French sectors of the city.

He received a favorable response to the proposal to revive the Kommandatura, the old four-power body set up to rule Berlin disintegrated last summer when the Russians walked out.

Flood Leaves Homes, Cars Stranded in Eugene Area



EUGENE, Ore., Dec. 13—A family preparing to leave the Ferry street bridge area as the Willamette river flooded and rolled toward the house. The Willamette began receding rapidly here Monday. (AP photos to The Statesman.)



A mother and daughter inch along in the lowland area near Eugene, as occupants evacuated from the flood. This was one of the last cars to leave the Glenwood area before the road was declared impassible. (AP photos to The Statesman.)

Animal Crackers

By WARREN GOODRICH



"I'm living for the day I hit the jackpot."

10 SHOPPING DAYS LEFT

Buy CHRISTMAS SEALS