(Story also on page 1) Subcommittees of the joint ways and means group of the current legislature swung into action Friday with the result that a number of reports, dealing with some of the smaller state activities, may be ready to file within a week or 10 days.

The subcommittees will investigate the budget requests of all state departments, institutions, boards and commissions along with the recommendations of the state budget division. Two subcommittees will take advantage of the week-end recess and visit state institutions in the Salem

Eye Social Welfare

One of the outstanding subcommittees, including Sens. Rex Ellis and Austin F. Flegel and Reps. William Morse. Earl Mc-Nutt and Francis W. Ziegler, will investigate all social security problems. Important among these activities is the public welfare commission which administers

A bill is now being whipped into shape providing a minimum \$50 a month pension, based on need, for all men who have attained the age of 65 years and women who have reached 60 years. Such a bill was approved at the last general election, but ater was held unworkable by the attorney general.

(Loa Howard, state administrator of the public welfare commission, told the house social welfare committee that an average of \$4.55 a month per case (or a total approximating \$2,750,000 for

\$2,750,000 Estimated Need

for the \$50 minimum.)

A subcommittee composed of Sens. Carl Engdahl, Angus Gibson and Dean Walker and Reps. Alex Barry and William Morse has been assigned to investigate the wants of higher education. In addition to strictly budget requests of the state board of higher edueation this committee will probe the budgets of Doernbecher hos-pital, child guidance clinic, blind students subsistence and the proposed state building program.

\$12,000,000 to Be Asked The board of higher education was expected to center much of its argument on a request for eapital outlays, probably in the amount of \$12,000,000, for construction of new buildings. This request was eliminated from the state budget. A state building program, involving individual inome tax revenues, may be referred to the voters at a special election.

The subcommittee to investigate salaries and wages for state seem to be a major endeavor and workers is composed of Sens. Gibson, Engdahl and Stewart Hardie anl Reps. McNutt and Rudie Wilhelm, jr. It was expected this committee would fol-low closely the recommendations of the state civil service commisnion for an average \$30 per month ncrease for all state employes provided funds are available. This would include the \$20 a eost-of-living increase granted by the state emergency poard last June which terminated on December 31, 1948.

Chairmen en All Groups
A special finance committee is ed of Carl Abrams, clerk 6 per cent tax limitation amendof the joint ways and means committee; Sephus Starr, state aduitor, and C. C. Chapman, pub-lisher of the Oregon Voter. Ex-officio members of all committees are Sen. Howard Belton, shairman of the senate ways and means committee, and Rep. Henry emon, chairman of the house

## **Portland Port** Governors Are Appointed

ways and means committee.

Appointment of two members of the Port of Portland and reappointment of three members was announced by Governor Douglas McKay here Friday. Reappointed were Robert H

Atkinson, Edwin Dwyer and Captain Clyde Raabe, all of Port-

New appointees are Chester E

McCarty and Olin Harrison. They succeed James H. Cassell and F. N. Youngman, who expressed a desire to be relieved of their port duties. McCarty, a Portland attorney, has been active in development of the aviation industry and served as a colonel in the air corps during world war II. He formerly served as a member of the state legislature and as assistant attor-

Harrison is a teamsters union secretary.

Supervision of airports in the Portland area is under the Port of Portland.

### Reginald Williams Named to Committee

Reginald Williams, Salem attorney and former deputy prosecutor of Marion county, was appointed Friday as chief clerk and legal adviser of the senate revision of laws committee.

Williams, who left the district attorney's office January 1, performed similar legal work for several law committees in the Oklahoma legislature. Sen. Allan Carson of Salem is chairman of the committee.

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With Watson at the Legislature

## Eleven Men Launched on Job Of Fixing Up State's Finances

By Ralph Watson

(Editor's note: In Friday's Statesman, Ralph Watson described the makeup and duties of the "Little Legislature"—the 14-man joint ways and means committee which shapes the appropriation bills. Today, he details the taxation committees which cut the cloth from which the appropria-

Eleven men, five of whom have had no previous legislative experience, have started on the job of fixing up the state's finances for the next two years. They face the problem of finding a way to meet \$109 million of the state budget, which is some \$38 million in excess of the last two years, and which does not take into consideration any money for the \$26 million building program of the state educational and other institutions.

Flegel, however, is no spring

chicken in the matter of finance,

president of the major ship build-ing corporation, the Willamette

Howard Belton of Clackmas, chair-

man of ways and means, also is

a member, as he was two years

ago, so is Frank Hilton of Multno-

mah and Eugene Marsh, Yamhill,

both lawyers. New on the commit-

and William McAllister of Jack-

has the job of cutting the money

its time checking the departmental

brings in its program, the approp-

assembly has got off to a faster

shop for another two years.

and activity.

sor did.

health activitites.

On the face of it, the chore had previous legislative experience handed the 11 gold diggers would except one, Austin Flegel.

it is. So who are the 11 strong men who during the coming 50 or 60 commission, and later became the discover the key to the jack pot? Officially the group makes up the house committee on taxation. Its mem-

bers are supposed to be the wise men of the west who can find a way to unlock the ment, to unlock the \$36 million "surplus" tied up in the state treasury by the corporate excise and income tax laws and release it for the benefit of the taxpayers, and to do a few other feats of finan-

Chairman of this group is Ralph Moore, of Coos county, timberman and logger. He has spent a lot of time and printers' ink writing about taxation. He was a member of the committee two years ago.

cial jugglery to make the consti-

tuents happy.

Other members who served with him on the committee in the 1947 session include Herman Chindgren of Clackamas, who usually has a lot of bills about county fairs and similar subjects. He is a farmer. Robert Gile, chairman of the 1947 committee, of Roseburg, is a fruit packer. E. W. Kimberling of Prai-rie City is a hard-headed veteran of a lot of former sessions, owner of an 1,800 acre eastern Oregon stock and wheat ranch, Lyle Thomas, school teacher of Polk county who has turned sside from the teaching profession to become the executive secretary of the Oregon Farmers' Union, also is a member, as is Giles French.

The freshmen on the committee include J. F. Short, who owns and operates 700 acres of irrigated land near Redmond; David Baum of La Grande, farmer, secretary of the ney general for Oregon from 1930 county fair association and field man for a fraternal group; Ben Day, farm operator of Gold Hill; Phil Dreyer of Portland, recently through Reed college, and John Sell, The Dalles, auditor, former banker and now office manager for

the Seufert Brothers Cannery. When this group of 14 finish with their work of finding the way out of the financial woods, their remedy for the tangle in the budget will go into the senate there to be given the scrutiny of another group of financial experts, four of whom were members of the 1947 committee on assessment and taxation, and all of whom have



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## In the Senate

INTRODUCED

ships and aircraft.
UP FOR FINAL VOTE MONDAY

HB 2 (Steelhammer)—Would elimin ate designation of illegitimacy on birth certificates.

RESUMES 11 a.m. MONDAY.

## In the House

from 50 cents to \$3 a copy. SB 21—(Roads & Highways)—Making minor changes in chauffeur license

as he one time held the position of attorney for the liquor control commission, and later became the president of the major ship building corporation, the Willamette Iron & Steel company of Portland.

Chairman of the senate group is Dean Walker, who has been on the tax committee or the ways and means committee since away back.

SB 22—(Forestry & Forest Products)—To set up administration of 1947 forest representation act.

SB 23—(Forestry & Forest Products)—To provide \$125,000 appropriation for insect control in western Oregon.

SB 24—(By Lamport, by request)—To effect minor changes in law governing filing of plats.

ADOPTED

SR 13—(By Resolutions)—Providing for appointment of clerk for committees on forestry and forest products and resolutions.

and resolutions.

SR 14—(By Resolutions)—Providing for chief cierks in committees on state affairs, mining, railroads and public RESUMES 11 a.m. MONDAY.

#### **New System** tee are Orvil Thompson of Linn, son, former house speaker. Thomp-son and McAllister also are law-In the hands of these two groups, Car Licenses rests, primarily, the fate of the revenue and fiscal program of the

session. The taxation committee Permanent car license plates, has the job of finding a way to already adopted by some states shake enough money out of the and proposed in others, are sought treasury, and the taxpayers, to for Oregon in bills introduced in meet the demands of the budget; the legislature Friday by the ways and means committee house committee on highways.

The bills were formulated by provided into the right sized Secretary of State Earl Newbry chunks to satisfy each department who several months ago indicated a preference for the proposed system. He has expressed hope it The latter committee will spend might be applicable for 1950.

The plan calls for plates to be and institutional demands, and issued to owners, rather than to then after the taxation committee vehicles, with the owner to keep the same plate on whatever car riation bills will be cut to fit and he acquires. Licenses would be restarted rolling through the legislanewable annually, but in stagture preparatory to shutting up gered rotation-1/12 each month so there would be year-around li-But that time will not come for censing activity rather than a sinlong time yet, even though the gle crush.

start in its first week of the curwould be provided to go with the rent session than its 1947 predecespermanent plates at each renewal. The move toward the new plate system has no connection with proposals, still in the talking stage, Woodburn - Bernice Yeary will to increase registration fees for peak at the Business and Procars. The permanent plates would 'essional Women's club in Woodburn First Methodist church not be used on trucks, buses, mo-Thursday at 6:30 p.m. on county torcycles and miscellaneous ve-

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hicles.

## Forest Plan **Brought Out** In Senate Bill

Administration of the 1947 forest rehabilitation act is provided for in a bill introduced in the senate Friday by the committee on forestry and forest products.

The measure was passed by the 1947 legislature as a constitutional amendment and was approved by the voters in last November's elec-

The act permits the state to issue bonds for reforestation not to exceed % of 1 per cent of the state's total assessed valuation. The bonding measure will provide a gross income of \$10,500,000 for the forestry department.

Under the proposed act, the board of forestry would be authorized to sell bonds in various denominations, but not to exceed \$500,000 in any one year. The money derived from the sale of bonds will go into a special "Oregon Forest Rehabilitation fund."

The bonds are to be retired from moneys to be deposited in a sinking fund. These funds will come from sale of forest products on lands acquired under the act and from other forest lands benefitted by the act. Most of the bond ted by the act. Most of the bond retirement, however, will come Florence Chief from state taxes.

10 and 15 years will be required to carry out the replanting pro-

## Value of New Deutsche Mark **Gains Ground**

FRANKFURT, Jan. 14-(AP)-The high prices which provoked Germans to riot last fall are tumbling

INTRODUCED

HB 53 (Com. on High)—Provides for registration plates issued to owners of motor vehicles, instead of to vehicles, with owner to keep same number on whatever car he has.

HB 54 (Com. on High.)—Would stagger registration of motor vehicles, except trucks, buses, motorcycles and miscellaneous, so that renewals are due a year after issuance, and yearly thereafter, instead of all on January 1.

HB 55 (Com. on High.)—Would tax gasoline sold to military except for ships and aircraft.

In the second registration are tumbing down.

The new Deutsche mark which Germans used to distrust is gaining in value. The American dollar and American cigarets, which used to yield such high black market profits are losing their lure.

All these signs, U. S. military government officials say, point to a rapid recovery of health by the war-sick German economy.

The price decline set in right after Christmas. Some German officials were skeptical at first. They thought maybe it was only because the Germans had spent all their money for Christmas presents and stores were trying to get rid of Christmas wares that had not been sold.

But prices are still dropping 8B 28—(Medicine, Pharmacy & Den-tistry)—Raises cost of birth certificates of the price boom may be broken. Now officials are hopeful the back Legal as well as black market prices are going down. Shoes and leather goods have dropped 20 per cent in Frankfurt, though textile prices still hang high.

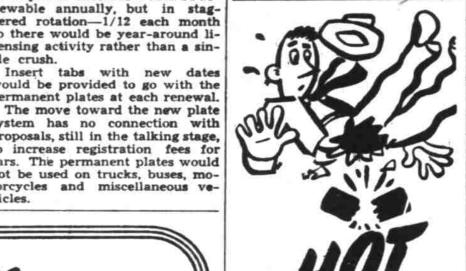
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The Statesman, Salem, Oregon, Saturday, January 15, 1949-9 Governor Draws Winner in DAR Contest



This was the recent scene at the Oregon statehousse when the new governor, Douglas McKay, drew the lucky number for Doris Groves of Lebanon which awarded her the good citizenship \$100 prize of the Oregon Daughters of the Revolution, Left to right, Mrs. R. M. Hayden of Lebanon, state DAR chairman for the contest; Rex Putnam, state superintendent of public instruction; Governer McKay and Mrs. Martha Ferguson McKeown, state DAR regent. (Statesman photo).

# It is contemplated that between of Police Fired

EUGENE, Jan. 14-(AP)-L. L. Ray, local lawyer and city attorney for Florence, Ore., told the Associated Press here yesterday that Mayor Paul Womer and the Florence city council dismissed A. R. "Ray" White and his wife from the positions of chief of police and police matron, respectively, of the coast

White was the central figure in tiff at a Florence tavern Sunday lished two stories in which such a night when he lodged three citi- meeting was mentioned.

zens in jail and tore the shirt off a fourth resident in an argument. Timber Tract The fourth victim was L. F. Pitts, who later swore out a charge of disorderly conduct warrant for Whife, who was in turn arrested Bidders Few by state police from Newport.

### Soviet Keeps Alive Talk Of Truman-Stalin Meet

MOSCOW, Jan. 14 -(AP)- The possibility of a Truman-Stalin meeting is a subject that is being kept alive in Moscow.

The Soviet press this week pub-

PORTLAND, Jan. 14-(A)-The declining lumber market echoed in public timber sale Wednesday. There weren't many bidders. The bureau of land management reported that bids were offered on only 15 of 21 tracts placed on sale this month. And the bids totaled

173.50. The timber was on Oregon and California and public domain lands in the Pacific northwast.

only \$296,972.05-not much above

the appraised valuation of \$292,-



