

It is obvious that one of the casualties of this legislative assembly will be the famed Walker plan which allowed a discount on income tax bills in event of surplus receipts the previous fiscal year. Actually, it operated only two years, 1944 when the discount was 70 per cent and 1945 when it was 30 per cent. In the next bi-of use of the surplus for a state of use of the surplus for a state building fund; and the 1947 legislature continued the suspension for another biennium.

The Walker plan has come in for a lot of criticism, but that is based largely on hindsight. If people knew the history of this bit of legislation that criticism would diminish to a whisper.

It was evident in 1942 that our income tax structure would produce more revenues than would welfare needs were not growing because of the abundance of job opportunities. In the primary campaign that year I recommended a cut in income tax rates of 20 or 25 per cent.

When the 1943 legislature met there were demands for very drastic reduction in the income tax, and some bills to achieve that purpose were introduced. Butno one knew just what the tax surplus would be. Too heavy a cut in rates might cripple the treasury. Senator Walker devised the plan for graduating the cut by the realized surplus.

It was necessary to wage quite a fight to get this plan adopted (Continued on editorial page)

Dallas Mother, Saves Infants, **Dies of Burns**

DALLAS, March 21-(Special)-Saving three young children from a roaring house fire cost the life of their mother, Mrs. Earl Littletown, who died yesterday in a Salem hospital.

caught fire Saturday, six older children got out safely and the mother's clothing caught fire Red Newspapers Blast the state, differences with-in the societ occupation zone." while she was rescuing her 18month-old baby and sons age 3 accused the western powers of and 4 who were fear-stricken un- frustrating any agreement on the doesn't see that it would make der a bed in the house. The house, Berlin currency problem by Unit- any difference if one community in the Cooper Hollow district sev- ed Nations experts meeting in had rent controls and an adjoinen miles southeast of here, was Geneva. completely destroyed with all the family possessions.



BERLIN, March 21 -(AP)- The Russians said tonight they would be needed for operating the state take no restrictive action against government. The state could do the western ban on circulation of no expanding in the war period; the east mark in western Berlin. refraining from counter-measures "to help the population of Berlin's western sectors.'

Many Berliners had expected the Russians to make some retaliatory move.

Earlier today Russian - controlled German police tried to prevent western Berliners from going on a buying spree with sur-plus east marks at ration - free stores in the Soviet sector. 4-Power Currency Blocked

western occupying powers The issued their ban on the Soviet zone currency yesterday. They pointed out it had not been pos-

Berlin.

sible to reach agreement with the

aded city. Last June the Russians had made it a crime for anyone to possess west marks in their had some harsh words for the "loentire population zone, including cal option" provision of the 15-

Col. Alexis Yalizarov, acting passed. Russian commandant, gave the He said the real estate lobby is first official Soviet reaction to backing it "not in order to strengthe western ban on the east mark then local authority, but in order in a formal announcement dis- to destroy rent control."

tributed by the Soviet - licensed news agency ADN:

When the Littletown home residents of the western sectors in He said if congress recognizes dif-



Senate Splits Over Rent Controls Bonus Debate Today Local Option'

Control Backed The acting Soviet commandant for Berlin said the Russians were By Republicans

By Don Sanders WASHINGTON, March 21-(AP)-The senate split down party lines

today on the merits of a houseapproved plan to let state, counties tutions committee, the bill pro- of any state building. or cities shrug off federal rent controls whenever they like. Republicans generally argued and 13th streets on the west and 500 for purchase of property at

should be given only to the states. The present rent law expires

March 31, only 10 days away. The senate opened debate on a bill to continue controls for 12 to 15 months and allow some rentals Russians on a single four-power to increase 10 per cent over a currency for the Soviet - block- year's period.

Mr. Truman, in an address to the U.S. conference of mayors, month extension the house has

Sen. Baldwin (R-Conn), said that if congress gives anyone the "In an endeavor to help the power to decontrol rents, "we

population of Berlin's western sec- must fasten it on some body which tors, the Soviet military admini- is in continuous session." He noted stration does not intend to carry that state legislatures are not. out any measures restricting the Sen. Vandenberg (R-Mich) said use of the mark of the German the house plan would bring "home bank of emission (east mark) by rule down to grass roots units."

in the stat. Inc Sen. Taft (R-Ohio) said he

A bill seeking an entire block | Salem officials as a solution to an east of the capitol grounds as an acute parking and traffic problem off-street parking lot for state em- in the capitol group area. The ployes and state vehicles was in- board of control would be emtroduced in the senate Monday.

Introduced by the senate insti- a parking lot, garage or as the site vides \$200,000 to purchase the Introduced in the house Mon block which is bounded by 12th day was a bill to appropriate \$22,-

in favor of the idea. Democrats said the power to lift controls should be given only to the states. The measure was requested by with the state heating plant.

Mrs. Truman Didn't Like This

Bill Seeks Full Block

Woe Makers, For Capitol's Parking **Blasts at Lobby**

Truman Blames

By Roger D. Greene WASHINGTON, March 21-(AP)powered to use the property for President Truman, adopting a strategy of soft words toward con-

gress, said today he and the legislators are cooperating and only "trouble makers" talk of bad feel-President Asks ing between them.

Instead of lashing out at the 81st congress for the setbacks he has received at his hands, the president roundly denounced the "real estate lobby" which, he said, has **Atlantic Pact** proved itself the "enemy of the American home." He said it was trying to kill rent control and the administration's housing program. Strikes at Columnists

The president's remarks about congress, in a speech to the United States conference of mayors, were in marked contrast with his lambasting of the 80th congress during The president, in a letter to the presidential campaign

Watkins, said he hopes senate ap-"It seems that whenever I make proval of the pact will be "as a recommendation to the congress, expeditious as is consistent with many newspapers and columnists set up a howl about the president full consideration" by senators trying to dictate to the congress, and the public. And then if the congress makes

any decision that varies at all from there should be a 60-day intermy recommendations, these same val between publication of the trouble makers start a gleeful chor- treaty and signature, as urged by us about how the congress has Watkins. The text of the proposed thrown the whole democratic pro- alliance was made public March gram overboard."

Mr. Truman spoke against a April 4. But it cannot become efbackground of three recent devel- fective until the senate ratifies it. opments

Mr. Truman said he wanted to 1. The house shot holes in the administration's rent-control bill. call Watkin's attention to the ex-2. The senate rejected an anti- tent of cooperation between the the a ite and

A proposed referendum to abolish the death penalty was beaten. The vote on the omnibus unemployment benefit bill was 57 to 1. It came after the house beat down attempts to include cooperatives and to limit the bill's application to employers of four or more persons (instead of one or more). The benefits are increased from \$20 a week for 20 weeks to \$25 a week for 26 weeks, with a minimum of \$15 instead of \$10.

No.

The game program, comprising six bills, was approved over the Quick Okeh for protest of southern Oregon repre-sentatives who objected to dou-bling the fees for out-state hunting licenses. (Details on sports page).

Bonus Debate Today The house defeated the move to refer to the people a proposed

Referendum Beaten:

By Wendell Webb

fits and a 331/2 per cent boost in hunting and fishing license fees were

approved by the house and sent to the senate Monday as the legisla-

ture waded into what members hope will be the final fortnight of the

Managing Editor, The Statesman

An increase of nearly \$1,000,000 annually in unemployment bene-

amendment barring the death pen-alty by a vote of 32 to 27 and thus An appeal by President Truman over-turned a favorable margin of for quick senate action on the 21 to 8 given by the senate.

The house also passed and sent to the senate a bill increasing from \$35 to \$50 a month the state educational aid for veterans, but postponed until 10:15 a. m. today consideration of the measure providing for a veterans' bonus.

Meanwhile, the senate gave final approval to a house joint res-

olution empowering the state He said "I do not agree" that board of higher education to refund a \$7,200,000 bond issue with \$10,500,000 in revenue bonds and use \$2,300,000 for new construction. It also voted to send to the governor the house - passed bill 18; it is scheduled to be signed reorganizing the game commission but reduced the commission from seven to five members. The bill now goes back to the house for

concurrence. **Code Revision Backed** tration in

WASHINGTON, March 21 -(AP) proposed north Atlantic defense treaty was disclosed today by Senator Watkins (R-Utah).

Mrs. Littletown died of burns against the western allies' currenin the hospital. Her husband was cy order. in a Salem hospital at the time, after a spinal operation the day before.

The Littletown children are being cared for at the A. B. Nickol fices.

The fire is believed to have started when Mrs. Littletown was mark dropped to 5,2 for one. Belighting a fire with kerosene.

Israel Signs Lebanon Peace

TEL AVIV, Israel, March 21-(AP)-Informants said today the new Israeli - Lebanese armistice calls for the evacuation of 14 villages in Lebanon still held by Israeli forces. The Lebanese now hold no territory in Israel.

The armistice provides for the demilitarization of zones six to 12 miles wide on both sides of the frontier.

nesday.

with one of its Arab neighbors. Brown listed as among the miss-The first between Isreal and Eg- ing 14 Keepsake diamond engageypt.

Rhodes today that Syria has ac- set with diamonds valued at \$150, Rhodes today that Syria has ac-cepted an invitation to talk over a man's synthetic ruby ring with U.S. Commission Robert A. Leedy. an Armistice with Israel,

Animal Crackers



The acting Soviet commandant so be admitted.

Russian - controlled newspapers launched a propaganda attack Sparkman (D-Ala) contended it

Western Berliners rushed to dump their remaining holdings of east marks. Some tried to make

home nearby and the family is being assisted by the Red Cross rate of six to 10 for one west mark the black market. Even in the legal exchange offices the east

fore yesterday's currency change the east marks had been worth

currency in western Berlin.

Glass Broken To Get Jewelry Worth \$5,000

More than \$5,000 worth of jewelry was stolen from the window of Brown's Jewelry store, 184 N. Liberty st., early Monday morning by a burglar who smashed the

plate glass with a brick. A prisoner exchange is includ-ed in the agreement, initiated last night by Israeli and Lebanese ne-gotiators. Formal signing of the armistice is scheduled for Wedthe agreement is the second the Argo hotel, informed police of the Charged to young Jewish state has reached burglary about 2 a.m. Monday. Brown listed as among the miss-

ment and wedding ring sets valued Dr. Ralph J. Bunche, acting Un-ited Nations mediator, said at sets valued at \$1,500, Shrine pin

> diamond set, \$150, and several other pieces.

tirely covered by insurance, Brown of \$500.

Police said the burglar was commissioner Leedy was told greatly aided by failure of the burglar alarm to go off. The faulty alarm had been turned off. Po-lice said a red brick was used by miles from Springfield.

the thief to smash the window. They said it was apparently the work of an amateur as the glass had to be removed from the merchandise before it could be taken.

Jenkins to Quit **Portland Police**

PORTLAND, Ore., March 21-P)-Police Inspector Leon V. Jenkins, twice chief of the Portland department, said today he plans to retire after 40 years of service nere.

He has asked to be retired July

1. He was twice elected President of the International Association of Chief at Silverton, says his future plans are indefinite but that he intende Chiefs of Police. to rest awhile,

ing one did not. Senators Maybank (D-SC) and would be unconstitutional to give decontrol authority to cities and

counties. purchases in Russian areas. Oth-ers lined up before exchange of-

PORTLAND, Ore., March 21-(AP) -An Oregon liquor store employe arrested in Reno after a gambling about a quarter of the western club spree there was sentenced today to four years in prison for theft of public funds.

Russell E. Hutchins, 42, who disappeared from his Portland store job December 11 with \$7,115.40 of liquor sale receipts, was dead broke when arrested.

Circuit Judge Alfred P. Dobson also fined Hutchins \$14,230.80 - double the amount of money involved and permissible under public funds law. The defendant pleaded guilty.

Hutchins' woman companion on thé Reno trip, Gertrude Janette Sanders, 36, has been indicted on a charge of being an accessory after the larceny.

Oregon Man

PORTLAND, March 21 -(AP)-Memories of the prohibition era

Federal tax agents arraigned James B. Stonecypher, 63, Spring-The display of jewelry, highly field, on a charge of carrying on a advertised in connection with distilling without a bond required spring opening in Salem, was en- by the alcohol division of the ". He was released on bond

> Stonecypher was arrested March 15 when a 50-gallon distilling plant

Valley Co-op Head **Quits at Silverton**

beach.

Pilot Rescues Men From Bering Floes

SILVERTON, March 21 -(Spe-cial)- C. A. Hande, for the past 3½ years manager of Valley Farmers ed on drifting Bering sea ice floes cooperative, 734 McClaine st., has were rescued yesterday by "Bush" Pilot Willie Foster. A motorboat resigned, it became known here today. Hande had notified the disaved the fishermen's dog teams. A strong north wind carried the rectors March 1, but is staying on

until a successor is named? While Walter Von Flue, chairwere unaware of their plight. man of the board of directors, ALBANIANS AT RED PARLEY could not be reached tonight. It was

LONDON, March 21-(AP)-An Algenerally understood that the suc-cessor would be named late this banian government delegation headed by Premier Col. Gen. Enver Hoxha arrived in Moscow today to discuss economic matters This Year with Russia.

WASHINGTON, D. C., March 21-This picture of President Harry Truman was taken during his vacation off Bermuda in 1946. It developed today that objection to bothing back mich allocation 1946. It

developed today that objection to bathing beach pictures of 'A' president at Key West last week traced to Mrs. Truman's objection to 1946 pictures of the president taken off Bermuda-pictures she termed a "disgrace to the family." (AP Wirephoto to The Statesman).

Swim Suit Photo Blamed **For Vacation Censoring**

WASHINGTON, March 21-(AP)-Said Mrs. Truman to husband Harry just before he went on his Florida vacation:

Whatever you do, don't have any pictures taken in your bathing

And that, says President Truman is the reason behind the seizure of a batch of pictures taken by newsreel and newspaper photographers from a navy blimp hovering over

the presidential party at Key West, Fla., last week. "It wasn't censorship," Mr. Tru- 10th Cabinet

man said with a grin, "but a safe-ty measure so I could come home."

Member Urged The president gave that explanation at the White House News Photographers' Association dinner.

He said he had been photographed WASHINGTON, March 21-(AP)in his bathing suit during a Ber-muda trip in 1946, and ever since A tenth cabinet member to handle Limiting Fishing then Mrs. Truman had regarded welfare services and education the picture as a "disgrace to the was urged today by the Hoover On Mill Creek family." commission

White House aides demanded The new secretary would head surrender of the blimp-taken Key a new department taking over so-West pictures. They called it a cial security, education and most security measure. services now handled by the fed-The pictures, snapped from an eral security administrator. The

altitude of 200 feet, showed in- department would also embrace distinct figures identified as Mr. the Indian bureau. If adopted, this plan might move Truman, aides and friends float-

ing in the water and laying on the into the cabinet the president's good friend, Oscar R. Ewing, now

federal security administration. (Additional details on page 2.)

Max.

Average 29.95

NOME, Alaska, March 21-(/P)-A score of crab fishermen maroon-THE WEATHER ALEM Portland

San Francisco ice out so quickly that the men

Chicago 66 42 .20 New York 57 31 .00 Willamette river 68 feet. Forecast (from U. S. weather bureau, McNary field, Salem): Partly cloudy with occasional light showers today. Scattered cloudiness tonight and Wed-nesday with slightly warmer daytime temperatures. High today near 58. Low tonight near 37. High Wednesday near 68.

SALEM PRECIPITATION (Sept. 1 to March 22) ar Last Year 37.49

illibuster rules change drawing up the north Atlantic the administration. A senate committee rejected treaty.

3. A senate committee rejected 7-6 President Truman's nominaed a 60-day delay before the sign-ing. On March 7, he had written tion of his friend, Mon C. Wallgren, to be chairman of the national security resources board.

Agreements More Plentiful senators had been kept in the dark Mr. Truman made no mention of during the prolonged negotiations. these developments. Instead, he He questioned the meaning of told the conference of 600 mayors: article five which provides that "Of course, I differ with the actions of the congress on some

points, and where these differences 'an attack against them all." are important I shall continue to Watkins also asked: urge the course I think is right. But basically the congress and the president are working together

and will continue to work together the pact? Should means of expelfor the good of the whole country. We are going to agree on a lot more the pact?" things than we disagree on.'

SHS Speakers Commies Cited To Revolution

Salem high school speech stu-dents, coached by Amanda Anderson, will enter district speech com-

NEW YORK, March 21 -(AP)petition at Linfield college at Mc-The trial of 11 top U.S. commu-Minnville today. The speakers, nists finally got under way before chosen in recent intraschool elima jury today with a government charge that the defendants hold ination contests, will compete with Albany and Dallas students to gain the key to an American revoludistrict titles for the state tourna-ment April 8-9 at Oregon State The 11 can set the time for an

college. Salem high representatives are: uprising of "force and violence," S. Attorney John F. McGohey extempore speaking, Phil Ringle; said in his opening remarks to a oratory, Una Mae Grayless and Eugene Poindexter; panel discus- federal court jury. He accused the defendants of sions, Frank Vitaris and Una Mae teaching in classes, and schools Grayless; after dinner speaking, that the overthrow of the U.S. Tom Schiedel and Roger Smith; radio speaking, Walter Friesen and sic model" of the 1917 revolution Mauriel Steusloff; poetry reading, in Russia. Muriel Steusloff and Catherine The defense, through its chief Person; humorous reading, Cathspokesman, went before the jury

erine Person and Walter Friesen; in turn to insist that the party impromptu speaking, Phil Ringle. the U.S. government.

House Approves

the U. S. government. "It is a matter of public record, Mill creek reaolly will be a kids' said Dennis, who is acting as his playground, if the senate affirms own attorney, "that we supported the favorable vote given the prothe Roosevelt administration and posal by the house Monday. vigorously campaigned for his reelection.

The house unanimously passed a bill, sponsored by the entire Marion county delegation, which closes the creek to fishing except by adjacent property owners and by per-

sons under 18 years old. Rep. Douglas Yeater, who aided

committee and explained it on the Guard Units floor, said it was contemplated to amend it to permit fishing by per-sons over 65. The amendment will be sought in the senate. Salem's national guard units

Min. Preci 42 .15 42 .05 50 .00 42 .20 **Crash Kills Woman: 2** from Salem Hurt

ning. Col. John Keliher, assistant in TILLAMOOK, Ore., March 21-(AP)-Mrs. Myrtle Lander. 64, Van-couver, Wash., was killed when her automobile collided with a garage tow truck south of here try regiment, and headquarters detachment vesterday.

Aadministration and supply in-Two Salem women were pasengers. They were Mrs. C. L. Galspection will be at 3 p.m. and loway, 60, and Mrs. Blanche Riggs, training inspection will begin at 8 67. Both were injured. p.m. in the armory.

Also passed by the senate and sent to the house was a measure However, Watkins still demand-

permitting the hiring of an expert to revise Oregon's law codes and the appointment of a seven-man committee to aid in the prepara-Mr. Truman protesting that the tion of bills.

New bills continued to be introduced Monday, one in the house asking an appropriation of \$22,500 article five which provides that an armed attack against one of the signatories shall be considered for use as a heating plant or other state purpose, and one in the senate providing for a parking lot for

state workers in the block bound-"Would a communist governed by Court, 12th, Chemeketa and ment be welcomed as a member of 13th streets, with a \$200,000 apling such nations be included in propriation.

Other new senate bills would bar construction of dams on tributaries of the Columbia river (except the Willamette) pending a report of an interim committee on their effect on fish (thus blocking a proposed dam on the Deschutes), and create committees to study state labor laws and the possible consolidation of the governments of the city of Portland and Mult-

nomah county. Longer Trucks Killed

Defeated in the senate was bill extering from 35 to 40 feet the legal gth of a single-chas-sis truck or bus. Both houses have heavy calen-

dars today. Besides the bonus bill, the house will consider such measures as limiting sales of fireworks, re-

stricting catches on the Rogue riv-er, and adding a cent to the tax on aircraft fuel.

The senate has before it measures providing for annual, instead of biennial, sessions of the legisgovernment must follow the "clas- lature.

Both the senate and house will esume at 10 a. m. today. (Additional details pages 3, 4)

never has raised a hand against 'Tank' Topic for

Reservists Meeting Eugene Dennis, secretary general of the communist party in this country, said the party con-

"Employment of Organic Tanks in the Infantry Division" will be the topic of the special meeting for organized reserve personnel at Bush auditorium Wednesday night. Fifth in a series of augmentation training sessions, the meeting will begin at 8 p. m. Proper r / tary identification will be requi • I for



sistently has taught the support of

· When you buy your home you pay rent to yourself. Home ownership pays big dividends in happiness, in-dependence, prestige, secur-ity and multiplied savings. spent Monday night's regular drill session sharpening up for the annual federal inspection scheduled for Wednesday afternoon and eve-

This year hundreds of Sa-lem families have wisely de-cided to pay rent to them-

selves and buy homes out of

income. Increase your say-

A wide selection of Salem

ings by buying your home,

best home values are de-scribed in The Statesman Want Ads. Shop them.