Weather

few showers today and tonight. High-est temperature today near 62 de-grees and lowest tonight near 42. Con-ditions generally fair for most farm. activities today. Winds, moderate.

kept a tight silence. A small power

consular official, however, said he

had heard the report and believed

this source, is twofold:

1. To establish a "vacuum"

NEW YORK, April 20-(AP)-The.

biggest evangelistic campaign ever

undertaken by the protestant

churches of America will begin

Plans for the campaign, to be

will coninue for 15 months through

ideas behind the campaign:

well as America's need, adding:

Door of Plane into Space

FAIRBANKS, Alaska, April 20-

an estimated 3,500 feet. The vic-

tim was Dave Huycke of Los An-

geles, a crew member of a Sour-

next October.

000,000 members.

The Oregon Statesman, Salem, Oregon, Thursday, April 21, 1949

Reds Cross Yangtze; Death Toll 27 on British Ships

Cherryland Fete Court Selection Tonight

Soviet Offer to End 16 Girls **Blockade Rumored To Vie in**

BERLIN, April 20-(AP)-A high German official declared today
Soviet Russia is ready to propose a German settlement, including
lifting of the Berlin blockade, if the West will bar Germany from the

Confirmation was lacking from allied authorities. Gen. Lucius D. Clay, the American military governor, said he knew of no new

Woodburn subscriber sends in two clippings about the Portland General Electric company. 1948 exceeded that of 1947 by 12.6 per-cent and net income was "slightly above" that of the prev- a satellite. jous year. The other reports the filing of PGE's new schedule of rates with increases of about 6 per cent. The subscriber, noting Germany between the Rhine and available at the high cchool. the request for a rate increase when earnings are increasing asks for comment in this column, and ingly greedy policies of big busi- position and yet save face. ness tend to turn people towards

The hearing on the proposed increased rates is now being held by Commissioner George H. Flagg in Portland. The company is presenting its case. Attorneys Drive Slated by city of Portland are in attendance to represent the public interest. Flagg takes the same attitude he has in the telephone rate cases the electric company will have to prove its need for higher rates before it gets them.

I certainly will not attempt to say whether the electric company is entitled to higher rates; but I can see how it may justify its application even though its net earnings are increasing.

The theory of rate regulation tian Crusade, were announced to- burn. is that the company is entitled to day. Sponsors are the Federal "fair return" on its investment. Council of the Churches of Christ What that investment or rate base in America and 15 non-member is, often is a subject of bitter denominations with a total of 35,controversy. In the PGE case however values were determined at the time of the reorganization; so there is a tangible figure to start from. The company, as have all utility companies, has been making heavy additional invest-

(Continued on editorial page)

Flax Festival **Dates Revised**

MT. ANGEL, April 20-(Special) Dates for the 1949 Oregon Flax festival, sponsored by Mt. Angel Business Men's club, have been changed from the first week end in August to July 29-31. The the request of the American Legion, whose state convention is in ness of evangelisms Salem the first week of August.

Besides the complications resulting from having the two cele- Pilot Sucked Through brations running parallel, it would have worked a handicap on local Legionnaires who wished to attend the convention and are on festival committees.

Gene Barrett has been hired as manager for the show. He is coach at Mt. Angel Preparatory school. It was agreed to have a festival queen and court.

Animal Crackers



'Of course as time goes on you can add more bunks."

of five princesses will be chosen Russian overtures. The Russians tonight at ceremonies in Salem high school auditorium.

Sixteen senior girls from as many high schools throughout Marion and Polk counties will appear dur-The German soure, who may ing the public program for judging not be identified by name, is about as to appearance, poise and speech as well informed as any German by a committee of three persons this divided city, which is from outside the two counties.

seething with rumors of an im-He said the Russian plan would revue by 200 young pupils of the provide for lifting the Soviet Paul Armstrong dancing studio. Salem Cherrians will conduct the

blockade of western Berlin, withdrawal of both Russian and Western allied armies from Germany master of ceremonies. Other prin and formation of a Central Ger- cipals will be Deryl Myers, King man government at a parley of Bing of the Cherrians: Sidney L the United States, British, French Stevens, president of the Cherry-One reports that gross income for and Russian foreign ministers. He land Festival association; Cedric said the plan would be advanced Reaney, program chairman; Mrs. by Russia herself, and not through Arthur Weddle, princess' chaperone for the festival association, and The Russian aim, according to Lois Eggers of Brooks, last year's Cherryland queen.

Tickets for the program will be

For her appearance, each candi-Oder rivers, unlikely to represent a threat to the Soviet Union. date will be escorted to the stage 2. To retire froman untenable by a representative of her student body and greeted by a member of

Later this spring the festival queen will be selected from among the five princesses. The candidates for princess and

their schools are: Jeannine Bentley, Stayton; Lela day as the United States held the activity. Collins, Aumsville; Louise Colyer, door open for any real peace move Gervais; Dixie Davenport, Turner; by Moscow. Shirley Hammer, Detroit: Grace at Sublimity; Marlene Rutherford, Silverton: Calene Sawtelle, Monmouth; Katherine Specht, Jefferson; Geraldine Traeger, Mt. Angel known as the Nationwide Chris- academy; Colleen Walter, Wood-

The plans, two years in the making, envisage participation of more Election Slated than 150,000 local churches and At Silverton more than 50 colleges. The crusade

A federal council spokesman, Dr. SILVERTON, April 20-(Special) Edwin T. Dahlberg, pastor of the -Lloyd Larsen, chairman of the First Baptist church, Syracuse, Silverton district 4 school board, N.Y., said this is one of the basic said Wednesday it will be necessary to ask voters for a special "We will not have a better Am- tax levy of \$34,275.84, in excess of erica until we have better Ameri- the 6 per cent limitation, in order to balance the budget for 1949-50. The crusade, he said, grows out The special school election has of the need of the church itself as been set for May 14.

Total budget estimated for the "The churches must evangelize coming year is \$228,516.48, apor perish. Existence of the proximately \$25,000 over last three years diplomatic experience churches in America now is no year's budget of \$202,793.06. Larguarantee that they will be here sen said the increase is largely a century from now. If the due to maintenance and repairs, phases of the cold war between churches are to become strong neglected during the war and man Harold Brenden stated, at spiritually and numerically they postwar period because of lack of ter element was believed to have materials and laborers. New light- been an important consideration must be about their primary busiing, to standardize the school, is in his appointment to a position being instaleld. This year the bud- where he may be called upon to get called for \$1,500 for installa- handle delicate and lengthy negotion. Next year's budget is asking tiations.

> Sitting on the budget committee this year are R. B. Duncan, chairman; Rholin Cooley, secre- Extended to Cutoff tary; Harold Bartsch, H. B. Jor-(AP)-An air transport co-pilot who tried to stuff a blanket around the genson and Carl Hande, while on the school board are Larsen, Arplane's drafty door was jerked out thur Dahl, Felix Wright, Norman to an almost certain death over Naegli and Dr. E. L. Henkel. Alaska waters last night. He fell Dahl's term will expire in June.

SALEM PRECIPITATION dough Air Transport company This Year (Sept. 1 to April 21) ar Last Year

Diplomat



Admiral Alan G. Kirk, 60, re- ments on the economic front: tired naval officer, was nominated today by President Truman as ambassador to Russia.

Adm. Alan Kirk Nominated as the Cherrians, before making brief talk. Envoy to Soviet ses mean a cut in the public's purchasing power at a time when talk.

By Francis J. Kelly named ambassador to Russia to-

The assignment came in the

Secretary Acheson declined to ly from lower farm prices. comment at his news conference today on the rumors of such Russian feelers. He called attention, however, to his comment of a week ago that all official avenues of communication are open to Russia for any oppropriate discussions. 300,000 for March, 1948. Kirk, 60-vear-old retired naval officer, has been serving as am-

to Luxembourg. He succeeds Lt. Gen. Walter Bedell Smith, who Seek \$395 Million asked to be relieved from the Moscow post and who now commands the First army in New York.

In sending Kirk's nomination to the senate, President Truman confirmed perdictions, current for two weeks or more, that the ticklish job of maintaining contact with the Soviets would go to the man who commanded naval units in the invasion of Sicily and who helped map out the cross-channel invasion of Normandy.

At soscow, Kirk will not only have the advantage of more than at Brussels, but also a record not identified with the touchiest the Soviets and the West. This lat-

Stavton Telephones

STAYTON, April 20-The crew of the Stayton Telephone company is building a new line which is being called the Cutoff Telephone company.

It is to furnish telephone service to people living along the cut-Average off road between Shaff and the 33.11 Aumsville roads.

Job Rolls, Earnings

The nation's economic barometer continued to show falling tendencies today as government reports noted drops last month in factory employment as well as in workers' earnings.

Decline

At the same time a federal economist warned that the country faces an eventual depression unless businessmen change present plans for cutting down on industrial expansion.

But in the face of this, Secretary of the Treasury Snyder maintained "We don't have the elements that brought on depression and depression crises in the past. These were highlight develop-

1. The labor department reported that factory earnings and working hours, as well as non-farm employment slumped significantly last month below February levels. The gross weekly factory earnings dropped about \$1 to \$53.37, while the average factory work week declined from 39.4 hours in February to 38.9 in March.

Ewan Clague, commissioner of ses mean a cut in the public's a spring upturn in business in activity is normally expected. 2. The federal reserve board

WASHINGTON, April 20 -(AP)- said that business loans fell off Vice Admiral Alan G. Kirk, \$84,000,000 in the week ended poker-faced sailor-diplomat, was April 13, to mark the 13th consecrop in this phase of business 3. The agriculture department

estimated that farmers' cash re- Nanking. ceipts from crops, livestock and Kirk, St. Paul; Margaret Mix, In- midst of unconfirmed reports that livestock products may be 10 per dependence; Dorothy Neufeld, Dal- the Russians are considering a cent less this year than the 1948 las; Patricia O'Connor, Sacred deal which might lift the Berlin record total of \$31,019,000,000. It Heart; Jeannie Ruef, St. Boniface blockade.

employment - - which comprises of the river. about three-fourths of the nation's workers - - fell off 150,000 during March to a total of 43,848,000. This compares with an increase of

bassador to Belgium and minister Phone Company to To Aid Expansion

ican Telephone & Telegraph Co. stockholders today authorized di- 500,000 men. rectors to raise \$395,000 in new capital to finance further expansion of the Bell system.

vertible debentures, will be the Hankow. largest of its kind in the history of the company or all private in-

capital raised since the war by the ist south. Bell system-A.T. and T. and its telephone subsidiaries - to take HENS WORKING HARDER care of an unprecedented demand for new, telephones.

Statesman **Sets Pace**

The Oregon Statesman, keeping well abreast of the rapidlygrowing area it is proud to serve, will place Salem and our neighbors in their rightful metropolitan status so far as newspaper service is concerned.

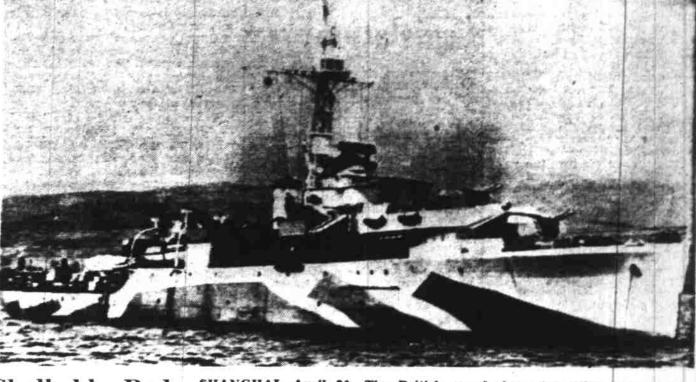
The Statesman, effective May 2, will become a sevenday paper, publishing every morning of the week the year

The development, which closes the present Mondaymorning gap in well-rounded news coverage, follows closely the introduction of The Statesman's new 16-page tabloid comic-feature section now a regular part of the Sunday

Even with its expanded operation and new section, The Statesman will be the lowest-priced seven-day newspaper in Oregon. Subscriptions will be \$1.20 a

month by carrier (effective with collections at the end of May) and \$9 a year by mail in Oregon. The first regular Monday morning paper in Salem's history will appear May 2. For a COMPLETE service, it's

Statesman



Shelled by Reds

SHANGHAI, April 20-The British naval sloop Amethyst (above) was shelled and grounded by Chinese guns as it moved through the Yangize

China Reds Drive on 400-Mile Front; 3rd Ship Said Under Fire

NANKING, Thursday, April 21 A)-The communists crossed the Yangtze today.

A spokesman for the Nationalist government's defense ministry said the reds surged across the great river at Tikang about 80 miles southwest of Nanking, the The ministry spokesman said he

labor statistics, said these decrea- nor did he know in what strength the communists had carried their first thrust into south China.

> in the Tikang areas. Top level Nationalist military his jet fighter crashed here. quarters said also that incomplete reports indicated the reds had

made several crossings in the area of Wahu, 60 miles southwest of

steadily across the river in the Nanking area. The sound of guns could be plainly heard in this gloomy capital. Government gunboats were

Clague reported that non-farm hammering at the communist side The reds reopened the civil war yesterday with an offensive along more than 400 miles of the vital

Yangtze valley. 'peace offer' amounted to total to join U. S. forces.

Nanking, the capital, and Hankow, major supporting base 375 Bankers Demand miles to the southwest, seemed the NEW YORK, April 20-(AP)-Amer- 1,000,000 strong. To meet this

Nanking shook to artillery at tacks from three points across the The new financing, to be in the the conquest of Manchuria were treasurer situation was still unform of 10-year, 31's per cent con- attacking on the plains before settled today as a committee of

wipe out Nationalist bridgeheads It will bring to well over \$3,- This great river divides the com- L. Shull today how much longer 000,000,000, the amount of new munist north from the National- the office would be without a

day by the U. S. department of 24 hours.

Congressman Dies In Crash The ministry spokesman said he did not yet have complete details nor did he know in what strength of Jet Plane

Foreign military quarters said, 20-(AP)-Rep. Robert Lewis Coffey, ever, British naval sources here however, they believed the reds jr., of Pennsylvania, decorated said they had not been informed had landed a total of 30,000 men wartime fighter pilot, was killed of either damage or casualties instantly at 4:30 p. m. today when aboard the ship.

His P-80 Shooting Star crashed stop at Kirtland air force base.

from the twisted wreckage. Cof- hit yesterday. fey was on a cross country profi- 23 Wounded ciency flight.

Coffey, former air force colonel, was enroute to Riverside, Calif., from Maryland.

The plane did not burn. During the war he flew 97 combat missions over Italy, Yugosla- Shanghai today and 10 bodies The bubble of peace, afloat for via, France and Germany and was were removed. She carried 16 three months, had burst. The reds shot down over a German airfield. struck after the government re- After evading capture, he re- have been picked up from the jected their latest peace offer. This turned through the German lines Amethyst.

first objectives of red armies Controversy Over shock the Nationalists had possibly Treasurer Job End

PORTLAND, April 20 - (AP) river. Communist veterans from Multnomah county's muddled bankers warned they soon will re-The first onset is designed to fuse to honor county warrants. A clearing house delegation ask-

on the north bank of the Yangtze, ed Commission Chairman Frank treasurer. The bankers said they could not continue cashing war-

rants much longer. PORTLAND, April 20 -(AP)- An- Shull reported he hoped he and

increase in Oregon's egg produc- democratic Commissioner M. tion last month was reported to- James Gleason could agree within sight of the sloop. The Amethyst

agriculture. Hens, numbering 3 Shull, who yesterday said he per cent more than a year ago at was considering taking the treasthis time, laid 9 per cent more urer job himself, indicated today eggs. The total: 50,000,000 eggs. he had changed his mind.

Silverton to Play Host to County 4-H Spring Show Next Week

Farm Editor, The Statesman

Washington Irving building, a number enrolled. street from the Washington Irving. Exhibits will be placed at the

however, a graduate of Oregon of which she sustained the major-State college. SILVERTON, April 21 - More The county's healthiest boy and was killed and the steering gear

than 1,000 youngsters, their fami- girl will be selected Monday from temporarily disabled." lies and friends will be welcomed the 70 who are competing for the in Silverton April 25 to 29 when honor. There are 1,700 boys and fire "with her entire armament. the big four-day Marion County girls enrolled in the county health The communists shelled the 4-H Spring show will be held clubs. This group is the largest Amethyst with medium artillery here. This is the first time the of any one 4-H project in the from 9:30 a.m. until noon yestershow has been held out of Salem. county where 2.200 are the total day, the British statement said.

former school building now city The annual style review will afternoon. owned, will be headquarters for be held Thursday night, April 28. the show and all exhibits will be at 8 o'clock at the Eugene Field and 20 wounded." displayed in the chamber of com- auditorium. The show will close Make Way to Town Christian church, just across the sentation of awards will be made, large town. Anthol Riney, Marion county Washington Irving building Monextension agent for 4-H club day and will be open to the pub- mine fields" to their ship. work, has been at Silverton much lic Tuesday and Wednesday nights | The Shanghai spokesman said

assisted by Anne Bergholz, new Friday from 8:30 am. to 3 p.m. county home extension agent. 4-H The home demonstrations will temporarily to avoid casualties. clubs. Miss Bergholz comes here be open from 9 a.m. to 5 p.m. The spokesman said all who from Walla Walla, Wash., where Tuesday, Wednesday and Thurs- could returned to the ship yesshe has been employed. She is, day. (Details on farm page).

By Fred Hampson SHANGHAI, Thursday,

April 21 - (A) - Foreign naval sources said a third British warship was shelled today on the Yangtze by communist artillery. There was no confirmation the craft had been hit. First radio reports said the

sloop Black Swan had been damaged and that she had suffered 15 ALBUQUERQUE, N. M., April or more casualties. Later, how-The report had stemmed from a

message heard by U. S. navy on the takeoff after a refueling quarters in Shanghal. This mess age told of casualties aboard the Crash crews worked more than sloop, steaming upriver between 30 minutes pulling the body of the Shanghai and Nanking to the point Nationalist artillery were firing 30 minutes pulling the body of the Where the British sloop Amethyst congressman from Johnstown, Pa., and the destroyer consort were

The toll in the attacks on the Amethyst and the Consort was 27 dead and at least 23 wounded. A British naval attache source in Shanghai said 17 were known dead on the Amethyst and 20 wounded. The Consort docked in wounded, some of which may

The destroyer showed evidence of her engagement with the red shore batteries but the side of her hull facing the dockyard was not punctured.

The destroyer carried on a running duel with the shore-based guns along a 50-mile stretch of the river. It is possible the red runners may have mistaken the British warships for Chinese nationalist gunboats.

Amethyst Refloated A report received from the Amethyst early this morning said she was refloated last night by her own efforts. The British issued a press state-

ment giving this official version of the international incident: The Consort was dispatched at full speed from Nanking at 11 a.m. local time, yesterday, to aid the stricken 1,375-ton Amethyst. The Consort encountered "serious resistance" when she came in signalled the Consort to turn back

fire from shore. Sought to Tow Ship The Consort, however, continued. When the firing died down, she turned back from a position two miles below the Amethyst and closed to take the sloop in tow.

up-river because of the heavy

"On approaching the Amethyst the second time," the statement said, "she again came under heavy fire and was forced to withdraw. "Steaming downriver, she encountered brisk fire as the result

ity of her casualties. Her coxswain The Consort returned the red

and "sniping continued during the

"Casualties were about 17 killed

merce rooms on the second floor. on Friday, April 29, with a big A message received by the Because water and cooking fa-downtown parade at noon and a British naval attache said about cilities are not yet available in program at the Silverton armory 60 of the Amethyst's crew - inthe building, the cooking demon- at 1 p.m. when announcements cluding four wounded - were strations will be held in the First of spring show winners and pre- making their way to the nearest

> This message said the crewmen "could not return through land

of this week making arrange- from 6 to 9 o'clock, on Thursday this indicated most of the ship's ments for the show. He is being from 9 a.m. to 9 p.m., and on complement of about 150 men had been forced to evacuate the sloop

Robeson Tells Pro-Red 'Peace' Meet 'U.S. Negroes Will Never Fight Russ' Democracies and a free China." PARIS, April 20-(P)-Paul Robe- He ended his appearance by sign- on "the backs of millions of neg-

first fire into an otherwise mono- send them back into a new kind of peace committees in every countonous opening session that heard of slavery," Robeson told the con- try to carry out the aims of the repeated attacks on the Atlantic gress. pact, the U. S. atomic policy, the "It is unthinkable," said Robe-Marshall plan and "Anglo-Amer- son, that American negroes "would that they have to reckon with us," ican capitalist imperialism" from a go to war on behalf of those who he said.

gates from 52 or more countries generation has raised our people to "rally of peace partisans" to perto their feet in cheering applause the full dignity of mankind." with his call for a "fight for friend- American wealth, he said, was for countries engaged in any war ship" with Russia, the "Eastern built by millions of immigrant with the soviet union.

son, American negro singer, told ing a re-write of "Ole Man River" roes" and "we are determined to

the communist-in spired world which substituted the words "show peace congress today that American negroes would never fight the

"I bring you a message from the mission was named president of "I bring you a message from the mission, was named president of negro people of America that they the congress. He opened the con-His resonant voice injected the do not want a war which would gress with a call for the formation

have oppressed us for generations" |. His proposal fitted into forecasts Robeson brought the 2,000 dele- against a country "which in one that the congress would set up a

share this wealth. Frederic Jolio-Curie, communist

congress. "We will show the war mongers

suade workers not to fight or work