



WASHINGTON, June 21—Mrs. Georgia Neese Clark, (left) of Richland, Kans., takes oath of office as new treasurer of the United States, given by Treasury Personnel Director John H. Hard (right), as Secretary of Treasury John W. Snyder looks on at a ceremony at Treasury today. (AP wirephoto to The Statesman.)

St. Louis Race Rioting Grows From City Park Swimming Rule

ST. LOUIS, June 21—(AP)—A new order that let whites and negroes swim together in city parks prompted a racial clash today, and an afternoon crowd of several hundred grew to several thousand by mid-evening. Eleven persons were injured amid swinging knives and clubs.



By Charles A. Sprague

In the works in congress is a bill by Senator O'Mahoney of Wyoming, consistent form of monopoly, to legalize the system of quoting delivered prices. Over a year ago the supreme court ruled that the long-established system of basing-point pricing violated the anti-trust law. This threw business into a tizzy, as big producers started quoting prices on a factory basis. Some manufacturers were hard hit, like New England fabricators who use a great deal of steel and iron and found they had to pay the freight from Pittsburgh or Sparrows Point, Maryland.

Senator Myers of Pennsylvania, a new deal democrat, was first to come up with a bill to legalize the basing-point method; but after considerable discussion in congress and with the federal trade commission which initiated the original test cases, O'Mahoney drafted a bill that seems to satisfy the industrialists and the trade commission.

O'Mahoney's bill permits concerns to quote prices on a delivered basis, but they must avoid any collusion in determining their prices. That would still be considered illegal restraint of trade. It will allow manufacturers to establish price zones for their products, and they would be free to absorb freight charges to meet competition; but they can't gang up in price fixing.

If this bill passes, as seems probable, congress will have effected another reversal of a supreme court decision. When the court ruled that the writing of insurance was subject

(Continued on editorial page)

Escaped Con Asks Job of Wrong Man

DALLAS, June 21—(Special)—A newcomer in town asked Dallas Police Chief Paul Kitzmiller if he knew of any work a few days ago. The chief remembered the face and looked him up Monday—after he got a notice the man had escaped from jail in Madera county, California.

Verne W. Hanrahan, the escapee, is in Polk county jail here awaiting extradition proceedings. Sheriff T. B. Hooker said he understood the man ran off from a work-gang at the California jail.

Animal Crackers



"Junior! Remember what Mother said about too big a bite!"

Auditing of State's Income Tax Returns Ordered by Ray Smith

Ray Smith, state tax commissioner in charge of the state income division, said Tuesday he intended to eliminate the three-year backlog of unaudited state income tax returns.

Smith said that unless some of the delinquent income tax accounts are audited soon they will be outlawed with heavy financial loss to the state.

As a first step in the campaign Smith Tuesday authorized Harold M. Cook, chief auditor for the division, to employ additional help for the auditing division.

Smith said the income tax division was handicapped because of lack of space but would have additional facilities when the new state office building is completed late in the year.

The 1949 legislature authorized the employment of more than 100 auditors, accountants and stenographers for the income tax division with the budget topped from \$1,595,755 to \$1,787,310 for salaries

for the next biennium starting July 1.

Commissioner Smith said it was more important that we spend available money x x x for something that will bring increased efficiency and decrease costs. If we don't do that, we're not going to survive."

(Story also on page 5)

At the present time the income tax division is located in the old office building, the assessment and taxation division in the state forestry building and the utilities division in a private residence on Capitol street. Tax commissioners said that scattering the various units of the commission has resulted in considerable confusion and has retarded operations.

Smith also announced that the Portland office of the income tax division hereafter would be closed on Saturdays as is the Salem office. Hours of the Portland office will be changed from 8 a.m. to 5 p.m. to 8:30 a.m. to 5:30 p.m.

SP Says 'No' to Major Track Changes

5 Street Tunnels Studied

By Wendell Webb
Managing Editor, The Statesman
Salem learned on good authority last night that if any major changes are to be made in the railroad track system hemming in its downtown area, the cost will not be borne by the Southern Pacific.

Not that a three-hour dinner meeting in the Senator hotel was entirely in vain. It ended with the railroad agreeing to study the feasibility (1) of raising its tracks a foot or two on 12th street (to permit easier construction of under-passes for major streets), and (2) of dividing 12th street between Marion and Ferry to segregate the tracks from automobile traffic so that crossings can be properly signalized.

"Not at Our Expense"
But J. W. Corbett of San Francisco, vice president of the Southern Pacific, made it clear the commitment was for purely "exploratory" survey work, and said definitely it was "assumed" that any move to relocate the tracks elsewhere than on 12th street "will not be at our expense."

Corbett and L. P. Hopkins of Portland, SP district superintendent, also scouted any possibility of abandoning the U. S. street tracks (to route trains from West Salem along Front street and east on Trade street), declaring that both the sharp curve and the grade at the corner of Marion and Front streets precluded such a plan.

High Costs Cited
Regarding a proposed underpass for the railroad on 12th street, Corbett said the project probably would cost from \$2,000,000 to \$10,000,000, and commented:

"When it comes to (traffic) convenience and a little noise or vibration a few times a day, the money can be spent to better advantage." He also said such a plan would increase SP operating costs because of new grades.

Sparing Proceeds Action
Considering the sparring preceded a down-to-earth question-and-answer period just before the meeting closed.

Near its end, Corbett asked: "Are we going to stay on 12th street or are we?"

J. N. Chambers, chairman of the Salem long-range planning commission who presided, answered: "We have no argument about your staying there if we can find any way to handle traffic."

The final decision to study the possibility of raising the 12th street tracks a foot or two grew out of a comment by C. A. Sprague, planning commission member, who said some opposition to cutting street underpasses beneath the tracks stemmed from a belief such underpasses would have to span too far back from the tracks on each side. He advocated a study to see if raising the tracks would help.

Waterfront Favored
C. A. McClure, engineer for the planning commission, said the excavation costs for five streets (Center, Chemeketa, Court, State and Ferry) with the tracks at their present level, would be higher than for a railroad tunnel.

Mayor R. L. Elfstrom declared "the only real answer" would be placing the mainline tracks along the waterfront, but advocated a 12th street tunnel if the waterfront plan was not feasible.

County Engineer Hedda Swart said it would be impossible to continue the waterfront plan south to Albany, because of ground subsidence in the terrain involved.

Swart also mentioned the possibility of overpassing the 12th tracks at Mission street to provide an uninterrupted east-west route.

Highway Plan Cited
To Corbett's question as to "what would happen to 12th street if the tracks were moved off," City Manager J. L. Franzen said 12th street then might become an eight-lane super-highway.

In stating his company's position as to the expenditure of money in Salem or elsewhere, Corbett said this:

"There never was a time in the history of our railroad when it was more important that we spend available money x x x for something that will bring increased efficiency and decrease costs. If we don't do that, we're not going to survive."

(Story also on page 5)

THE WEATHER

	Max.	Min.	Precip.
Salem	77	51	.00
Portland	77	51	.00
San Francisco	62	50	.00
Chicago	67	47	.00
New York	94	74	.00
Willamette River -1.1 feet.			

FORECAST (from U. S. weather bureau, McNary field, Salem): Partly cloudy this morning becoming mostly clear this afternoon and tonight. High today near 80; low night near 53. Agriculture outlook: Weather favorable for most farm activities today.

SALEM PRECIPITATION (Sept. 1 to June 22)
This Year Last Year Normal
41.41 46.40 36.64

Query Ordered in Contract Racket AEC Denies A-Bomb Uranium Loss

Convicted Female Hurls Chair, Tries Off-Tackle Drive

SPOKANE, Wash., June 21—(AP)—A 24-year-old woman, Mrs. Mary Skok, objected to a 30-day jail sentence today by throwing a chair at the presiding judge.

She also indicated she was unwilling to serve the sentence by trying to stampede her way out of the courtroom over the top of a court officer.

Convicted on a vagrancy charge, the slightly built woman was being taken from the courtroom to jail when she picked up the chair and tossed it at Judge John Aiken on the bench. Her aim was good but the chair was heavy. It fell a couple of feet short.

She then made a run for freedom through the court door. Constable Joe Nesbitt, no heavyweight himself, met the charge and managed to hang on until reinforcements arrived.

Bookkeeping Error Said Explanation

WASHINGTON, June 21—(AP)—A flat statement that "No A-bomb uranium is lost" at the great Oak Ridge, Tenn., atomic plant was issued by the Atomic Energy Commission today.

Almost simultaneously, Chairman McMahon (D-Conn) of the senate-house atomic committee told newsmen in Capitol Hill:

"The committee is investigating an 'inventory discrepancy' at the Oak Ridge plant.

"But he believes it is 'not of a kind for the American people to become alarmed about.'"

McMahon's statement followed published reports about a "loss" of uranium—the key ingredient of atomic bombs—at Oak Ridge.

Neither McMahon nor the AEC gave any inkling as to the type of material, if any, that appears to be missing.

Senator Millikin (R-Colo) asked McMahon if it is not true that it remains to be determined whether the discrepancy is "a bookkeeping error or a loss of material."

"Yes, I think that can be said," McMahon replied.

The senate-house committee met to hear additional evidence from Senator Hickenlooper (R-Iowa) in his charges of "incredible mismanagement" against AEC Chairman David E. Lilienthal.

Hickenlooper turned once more to a scrutiny of higher-than-estimated costs in building the vast atomic plant at Hanford, Wash., a multi-million-dollar project being carried out by the General Electric Co.

Vice President Harry Winne of General Electric told the committee that his firm's operation of the plant has resulted in savings "at an average rate of \$40,000,000 to \$50,000,000."

Five Seamen Killed as Liner Strikes Mine

DUNKERQUE, France, June 21—(AP)—Five Belgian seamen were scalded to death by searing steam today when the channel boat Princess Astrid, carrying 415 passengers, struck a mine in the English channel and sank.

Twenty passengers were injured. Six persons, including two women, were taken to a hospital.

The passengers were settling down to bridge games and naps in deck chairs one hour out of Ostend when the explosion occurred.

The seamen were trapped in the engine room by searing jets of steam unloosed by the explosion. Their bodies went down with the ship. Five other seamen were injured by the steam. The mine tore a hole in the ship's underside.

Women and children were rescued first as the Belgian-owned Princess Astrid, a regular channel boat in the Ostend-Dover service, settled to a watery grave off a sandbar.

VFW CONFAB TO OPEN
COOS BAY, June 21—(AP)—The annual convention of the State Veterans of Foreign Wars will open here tomorrow, continuing through Saturday. About 900 delegates are expected.

Anytime Today!

Photos for the second week's contest in The Statesman's summer competition for amateurs will be accepted up to midnight tonight. Winners will be published Sunday.

Firefighters Watch Dry Timber Area

By the Associated Press
Temperatures mounted and humidities dropped as summer officially arrived in Oregon today.

Immediate precautions were taken to protect tinder-dry forest forests.

Eight hundred firefighters moved into the state forest areas. Many of them were stationed in the biggest danger spot—the Tillamook burn region that covers 500 square miles.

District Warden Ed Schroeder called the plan for the Tillamook area "operation powder-keg." He said that within 30 minutes after the first report of any fire it can be reached by a crew of 135 men. Only about a third of that time will be required for the mobile force to reach most parts of the burn.

Meanwhile tools for an additional 700 firefighters are ready at northwest district headquarters at Forest Grove. Sixteen lookout stations in the district have been manned to flash quick word of any blaze.

Within another ten days an additional 800 forest firefighters will be put on duty in Oregon's 13 national forests.

Truman Raps Soviet Blocks

By John M. Bightower
WASHINGTON, June 21—(AP)—President Truman declared today that Russia's refusal "to recognize the important progress" of the western powers in building a democratic western Germany had blocked agreement on German unification at the Paris foreign ministers meeting.

"The American delegation went to Paris with the serious intention of developing a constructive program which would meet the requirements for all of Germany," the president said, "and would unify the interests of all four powers in insuring that Germany would achieve its reconstruction along peaceful and democratic lines."

TYPHOON TOLL AT 106
TOKYO, Wednesday, June 22—(AP)—Government reports today put the death toll in typhoon-lashed Japan at 106. Other reports said 563 were missing. The storm center had passed northward over the Sea of Japan after buffeting Kyushu with 93 mile winds and heavy rain. It was scheduled to hit northern Honshu today.

Passes



SILVERTON — George Manolis, 58, widely known Silverton restaurant operator and republican party leader, who died Tuesday at Gates after a heart attack. (Statesman - McEwan photo). (Story on page 2.)

Cherry Picker Crisis Eases; 450 Imported

The Willamette valley cherry-picking situation brightened Tuesday when more than 450 workers were sent to the fields from the branch of the state employment service.

"This is about the largest number ever sent from our office," Manager William Baillie said, "and more workers are coming into Salem Wednesday. It definitely looks encouraging."

The employment office at Ontario is sending a group of 30 workers who have been harvesting sugar beets, and other workers are coming in from the north, south and east.

Nearly 50 employers came to the office at Ferry and Cottage streets Tuesday morning and every one left with at least a partial quota of workers.

Trucks will continue to leave the office at 6 o'clock each morning to take workers to and from the fields.

Platoon leaders supervising picking operations Tuesday urged parents to request their children to conduct themselves in an orderly manner while working on the harvest.

Several leaders complained that slowdowns have resulted from bad behavior among juvenile pickers. They said several boys were staging early Fourth of July celebrations by setting off firecrackers in the fields.

Princess Cecilie, Texan Married in Hechingen Castle

HECHINGEN, Germany, June 21—(AP)—A Hohenzollern princess who might have been the daughter of a German kaiser but for the fates of war turned her back on castles today and went honeymooning with an American interior decorator.

Princess Cecilie, granddaughter of old Kaiser Wilhelm, became plain Mrs. Clyde Harris of Amarillo. She is going to live in a little apartment—perhaps later in a cottage—in Texas.

The blonde princess and her young business man were married in the 1,000-year-old story book castle here today before a Who's Who of royalty. Then they drove off to a secret honeymoon refuge somewhere in Germany.

Article Names WAA Colonel '5 Percenter'

By Arthur Edson
WASHINGTON, June 21—(AP)—A three-pronged investigation was ordered today after a report that a wartime colonel got a \$1,000 fee as a down payment on work he said he would do helping a client land a government contract.

The report was in today's issue of the New York Herald Tribune. Jack Steele, in a copyrighted story, said that James V. Hunt, a so-called management counselor here, had accepted a \$1,000 fee from Paul Grindle, president of a Framingham, Mass., furniture factory.

Grindle was quoted as saying that Hunt, who was an official in the war assets administration after he left the army, had implied he had considerable influence around prominent Washingtonians, as if he were on friendly terms with them.

Among those mentioned, Grindle said, were Maj. Gen. Harry H. Vaughan, military aide to President Truman, Secretary of Defense Johnson, and Jess Larson, former war assets administrator who recently was named federal works administrator.

Grindle said he gave Hunt \$1,000, and agreed to supply an additional \$500 a month for expense money—plus 5 per cent of the gross amount of any contract he received. The agreement was signed May 9, 1949.

But, the story said, Grindle kept a record of all conversations and turned these records over to the Herald Tribune.

As a result, investigations were ordered by Secretary of Defense Johnson. He said he wanted to see whether anyone has received "percentage" contracts with the national military establishment.

Admiral Paul Mather, who succeeded Larson as head of the war assets administration, also said the story would be investigated thoroughly. (War assets has the job of disposing of war surplus supplies which originally had cost billions.)

And Chairman Hoy (D-NC) of the senate investigation committee also called for a "complete investigation of all the facts."

Hoy heads the senate investigations subcommittee of the committee on expenditures in the executive departments.

Senator Morse Wins Horse Show Award

WASHINGTON, June 21—(AP)—Oregon's Senator Wayne Morse is still winning horses. He drove a top-year-old palomino mare, Golden Flirt, to the reserve championship this weekend in an American Horse Show association event at Forestville, Va.

Golden Flirt, the prize-winning stallion the senator, recently retired.

BASEBALL

WESTERN INTERNATIONAL — At Tacoma 3, Salem 3 (15 inn.) At Bremerton 3, Yakima 16 At Vancouver 5, Spokane 4 At Victoria 4, Wenatchee 9

COAST LEAGUE — At San Francisco 6, Portland 6 At Los Angeles 17, Seattle 6 At Sacramento 7, Oakland 3 At San Diego 5, Chicago 6

NATIONAL LEAGUE — At Pittsburgh 4, Philadelphia 6 At Chicago 8, Boston 4 At Cincinnati 4, Brooklyn 9 At St. Louis 3, New York 6 (12 inn.)

AMERICAN LEAGUE — At Philadelphia 8, Cleveland 2 At Washington 2, Chicago 2 At Boston 2, Detroit 2 Only games scheduled.

Czech Reds Threaten Legal Action Against Beran

By Richard Kaschke
PRAGUE, June 21—(AP)—Czechoslovakia's communist government threatened tonight to take legal action against Archbishop Beran at the Roman Catholic hierarchy and accused him of trying to wreck the nation's peace and disrupt its economy.

Premier Antonin Zapotocky told the nation in a radio address that the government would not tolerate "violations of law" by the Roman Catholic hierarchy and added: "Legal action will be taken against all saboteurs, provocateurs and instigators of discord and unrest."

Thus the church-state war moved closer to a parallel with that of Josef Cardinal Mindszenty, who was accused of anti-state activity and subsequently tried and sentenced to life imprisonment in communist Hungary last February.

Zapotocky, in the sharpest public statement made by the communist regime in the church-state war, accused Archbishop Beran of ordering Catholic priests to spread a "concoction of untruthful lies" against the government.

The broadcast followed a cabinet meeting. At the session the government apparently decided on a quick fight to the finish in order to crush the archbishop's resistance to what he says are communist plans for getting control of the church and severing its ties with the Vatican.

Zapotocky did not disclose what immediate steps were intended against Archbishop Beran. It

might mean his formal arrest and trial unless he backs down—something which he said only last Saturday he would never do.

The communist-run press hinted today that such a move might be taken. It accused the Roman Catholic hierarchy of terrorist tactics which are "against the law and punishable."

Premier Zapotocky mentioned Archbishop Beran by name and linked him with other "church dignitaries."

Zapotocky listed as alleged instigators of the excommunication of priests and laymen who have gone over to the separate Catholic action society founded by the communists.

Archbishop Beran and the Vat-

ican have branded the group a fraudulent schism and pronounced excommunication upon the group's instigators.

Zapotocky claimed the government is ensuring religious freedom and accused the Catholic hierarchy of turning down a fair church-state agreement. The archbishop has denied this, charging that the communists are "wolves in sheeps clothing" whose aim is to enslave the church.

Meanwhile, the tension continued to mount. Reports spread that the government was seizing Catholic opponents in Moravia. Church sources said many clergymen and well-known laymen were arrested in that province near the Austrian and Hungarian frontier.