

Billion-Dollar Cut Voted In Military Expenditures

It Seems To Me

By Charles A. Sprague

Well, folks, what has the board of control been up to this week? Here it is. Without waiting for his class in CVA to get started, State Treasurer Pearson launched a fresh study course. This time it is in state taxation, a subject quite as involved and controversial as a CVA. Our treasurer assigns the course to the state tax commission, augmented by the state budget director, the head of the bureau of audits and the deputy state treasurer. At least there are three men in the lot who really know something about the state's tax structure, and the resolution directs that experts in the tax commission be used.

But the last legislature created an interim committee to study taxation and called on the tax commission to provide this legislative committee with its expert advice. Thus, the state will have a two-ring tax show: "Right this way, ladies and gents, this way for the board of control's super-colossal tax study";—"Here you are, folks, the authentic, original, the one and only legislative committee tax study. Right this way folks; buy your tickets at the gate and get in on the big show!"

Pearson's resolution refers to Oregon's tax system as a "hodge-podge set-up, confusing to industry and all segments of our people." But with two official bodies attempting surgery on the tax-carass, will we not have confusion worse confounded?

Although in the language of Pearson's resolution, the

(Continued on editorial page)

Daylight Time Still Rests on Local Option

The referendum on Daylight Saving time was filed in the State Department Friday, assuring the daylight time cities that they can stay that way for two summers at least.

Petitions bearing 17,500 signatures — 2,000 more than necessary — were filed three hours before the deadline.

Now the voters will decide, in the November, 1950, election, whether or not they want the legislature to ban daylight time in Oregon except when proclaimed by the governor.

Had it not been for the referendum, daylight time would have been banned in Oregon tomorrow.

One other referendum — on the old age pension bill — was filed Thursday.

Truman Mum on Secret Meet Despite Demands for 'Truth'

WASHINGTON, July 15-(AP)—Unmoved by a senatorial demand for the facts, President Truman today kept an airtight lid of secrecy on last night's mysterious conference of topmost officials concerned with atomic energy.

The president clipped off "no comment" when reporters inquired about the dramatic gathering at Blair house — so hushed from the public that photographers could not get near the entrance.

On the senate floor, Senator Jenner (R-Ind) angrily declared the people are entitled to know the "truth" about what was going on. He said the administration is keeping the public in the dark about foreign relations.

The attitude of participants in the two and a half hour session ranged from cryptic hints of something of vital importance to observations that the meeting hadn't concerned with subjects too serious.

From other directions there were unconfirmed views that the meeting may have taken up the subject of renewed cooperation among Britain, Canada and the United States in atomic energy

Animal Crackers

By WARREN GOODRICH



"... and a couple of 100 lb. sack's of sugar for Henry's sweet tooth."

Balanced Budget Promised

WASHINGTON, July 15-(AP)—A \$1,010,000,000 slash in military spending was voted today by the senate appropriations committee in an action which dealt a severe blow to advocates of a bigger air force.

The cut the committee recommended to the senate was from a total of \$15,900,000,000 in cash and contract authority previously voted by the house for operating the army, navy and air forces during the current fiscal year, which began July 1.

Senator Elmer Thomas (D-Okla) told reporters that an additional slash of up to \$600,000,000 in funds for stockpiling materials may be recommended before the senate acts.

Air Fund Slash Voted

As for the slashes voted today, Thomas said that Secretary of Defense Johnson will be directed — with his prior agreement — to cut \$433,000,000 from the funds of the three services in any manner he wishes.

In addition the committee voted a \$799,000,000 slash in air force funds approved by the house to raise the air forces from 48 groups recommended by the president to 58 groups urged by air-minded congressmen.

Thomas said the committee also decided to end the program of one-year enlistments, permitted under the draft act by simply cutting off these funds with a saving of \$50,000,000.

Budget to Be Balanced

Thomas flatly predicted to reporters after two closed sessions of the full senate appropriations committee that "the budget this year will be balanced."

He said a previous slash of about 10 per cent in the European recovery program plus an expected cutback of funds would bring government spending and income into balance.

Hospital Drive Workers Get Lists for Calls

About 250 persons who will solicit funds in the general Hospital Development campaign gathered at the Salem Chamber of Commerce Friday night to receive the lists of names of persons they will call on for contributions.

Each was given 10 names from a list of 6,000. The general drive will open following a kick-off dinner for the solicitors at 6:30 p.m. Monday at the Marion hotel.

Truman Aim Declared to Be Dictatorship

COLUMBUS, O., July 15-(AP)—Sen. Robert A. Taft, the republican congressional quarterback, tonight accused President Truman of leading the United States to a dictatorship.

In a speech over the Mutual network, the Ohio senator attacked the president's deficit budget.

"Huge government spending has from the beginning been one of the essential features of Mr. Truman's program to follow the labor socialist government of England into a totalitarian state, directing the lives and activities of its citizens," Taft said.

"There is not a bureau in Washington which couldn't cut 10 per cent of its personnel and be more efficient, and an average 10 per cent reduction would balance the budget."

Senator Taft also defended the 81st congress, which he said "is not a negative congress although its great merit will be that it has prevented changes which would affect the whole nature of our government and the character of the American republic."

He Prepares for It But It Doesn't Happen



GARY, Ind., July 15 — Thomas White, furnace helper, shovels limestone into an open hearth furnace at the Gary works of Carnegie-Illinois Steel Corp. preparatory to a possible shutdown of the furnace today in face of threatened strike by CIO United Steel workers. Carnegie-Illinois spokesman said it had banked five of 11 active furnaces in the Gary plant. But the strike was postponed. (AP wirephoto sent to The Statesman)

First Signatures Filed for Recall of Portland Sheriff

PORTLAND, July 15-(AP)—The first signatures were filed today in the movement to recall Marion L. (Mike) Elliott, Multnomah county sheriff.

About 300 signatures were presented at the county courthouse for checking. Sponsors of the recall movement have 400 petitions in circulation. They need 30,520 valid signatures by Oct. 11 to force a recall vote against the democratic sheriff.

The petitions charge him with ineptitude in office and with misrepresenting his qualifications before last fall's election.

SP Employes Vote Strike For July 22

SAN FRANCISCO, July 15-(AP)—A strike against Southern Pacific company's Pacific lines was called today for 6 p.m. July 22 by the Brotherhood of Railroad Trainmen.

The strike was called in a dispute over the number of brakemen to be employed on trains of certain length and under specified conditions, and the number of men employed in switching yards.

Mediation was attempted but failed.

Under provisions of the national railroad act, President Truman may forestall strike action for 60 days by appointing a board to examine the issue.

Ninety-seven per cent of the 7,300 employes participating voted for the strike, the union said.

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Earl Resigns CIO; Takes Korea Job

PORTLAND, July 15-(AP)—Stanley Earl, state secretary of the CIO, decided today to accept a government offer to become labor adviser to the economic cooperation administration in Korea. Earl said he would submit his formal resignation to the CIO tomorrow and leave next week for preliminary training in Washington, D. C.

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Heat Retreats--a Little; Hazard Still Up

Walk-out In Steel Averted

WASHINGTON, July 15-(AP)—The nation narrowly escaped a steel strike today as the industry's biggest corporations accepted President Truman's 60-day peace plan under vigorous protest.

A fact-finding board appointed by him late today will study the deadlocked dispute over a fourth round of postwar wage raises — also pensions and group insurance — and will make recommendations.

Three Men Named
Mr. Truman gave these three men the heavy responsibility of delivering an opinion by the end of August on the issues at stake.

Chairman, Carroll R. Daugherty, professor of business economics at Northwestern university.

Judge Samuel I. Rosenman of New York, former adviser to Presidents Roosevelt and Truman.

David Cole of Paterson, N. J., lawyer and labor relations expert.

Some steel production meanwhile is already lost to the country. That because major companies had begun to bank furnaces (see picture below), and they said it will be a few days before normal operations are resumed.

Whether the board will succeed in averting a strike in September is something nobody knows, but at least the crisis is over for the summer.

U. S. Steel Falls In Line

Less than 12 hours before the midnight deadline, the United States Steel corporation reluctantly fell in with the White House plan.

The huge company protested that it was being "compelled" to accept the plan in order to avoid a strike. It still objected to the fact that Mr. Truman's board — unlike Taft-Hartley boards — will have power to recommend a settlement. But it agreed to testify before that board.

That did it. The other large companies had already accepted.

Explanation of Airline Stand To Be Given

W. Coast Airlines' proposals for Salem service, as under consideration by the civil aeronautics administration, will be presented to Salem city and Chamber of Commerce officials at a meeting being arranged for the coming week, it was disclosed Friday.

H. A. Munter, executive vice president, is expected to represent the lines at a meeting with city officials and councilmen, the chamber directors and airport committee.

United Air lines, now providing service at Salem, has been ordered by CAA to show cause why it should be allowed to continue stops here, rather than being replaced by West Coast, which serves smaller communities.

Yes, It Has Really Been Hot This Week



It has really been hot enough in Salem to fry eggs on the sidewalk — so that's exactly what three salesmen at the Valley Motor company used car lot did. Shown wearing bibs and aprinking salt on their work are (left to right) Jim Miller, 450 N. 19th st., Cecil Wolverson, Salem route 1, box 415, and Carl Snyder, 2275 Lancaster dr. Wolverson cracked the egg on a water tap cover resting on the pavement, and 10 minutes later it was fried. It was 96 at the time. (Statesman photo).

City Loser In Water Suit But Run Ample

Salem was prohibited Friday in Marion county circuit court from using any more than the 22 second feet of Santiam river water granted by state engineers in 1945 for the city's domestic use.

Judge Charles H. Combs of Lakeview, ruling on the suit of Gardner Bennett against the city, directed the state engineer and water master to shut off the flow at Salem's 18 foot diversion pipe near Stayton if it interfered with the prior rights of the Gardiner Bennett interests.

John H. Carson, one of the city's attorneys, did not think the decision would decrease the city's water supply. The city still can take water from seepage pipes on Stayton island and more pipes can be sunk to increase the supply if necessary, he said.

He added that any decision to appeal the verdict would have to come from the city council.

Bennett's complaint, filed in 1946, charged the city was using more than its 22 second feet of water granted by state engineers. Bennett charged the city's diversion pipe was taking water which normally would flow past his property for his use.

Judge Combs said the city was a party to the 1945 agreement which established water rights and had not objected to the regulations at that time. This was in answer to the city's charge that Bennett had not filed his complaint at the proper time.

"Those (1945) proceedings are binding on the city of Salem and the plaintiff in the case is entitled to a decree without costs to either party," Judge Combs said.

During the current hot weather, use of water in Salem reached about 15,000,000 gallons a day, according to Carl Guenther, manager of the Salem city water department.

This summer's consumption is higher than for any previous summer, Guenther said, but the supply is in no danger of being exhausted, and no restriction is foreseen.

12 Die, Many Hurt in Blast

BRUEM, Germany, July 15-(AP)—A French army depot exploded tonight, killing 12 Germans, injuring scores more, and leaving hundreds homeless in the vicinity of this German town 45 miles west of Coblenz. Cause was not determined.

Discharged Psychiatrist Lashes at Coordinator

Dr. Horace G. Miller, recently discharged from the medical staff of the Oregon state hospital, said Friday he has long been "unhappy over the developing and progressively deteriorating situation" at several state institutions.

Dr. Miller made his charge in filing an appeal with the state civil service commission here. Miller said he was discharged for insubordination.

Dr. Charles E. Bates, state hospital superintendent, when informed of Miller's charges, told the Statesman Friday night he had no comment to make now. "I will do my talking before the civil service commission," Dr. Bates said.

Miller indicated a belief that William Ryan, coordinator of state institutions, has given the state board of control "distorted and misleading" information. Ryan stressed that anything he

Out-city Man Principal for Leslie School

Leslie junior high school will be headed by Charles D. Schmidt, Pendleton, who was appointed principal of Leslie Friday by the Salem district school board.

Announcement of Schmidt's appointment was made by Superintendent Frank B. Bennett who said he felt confident the Salem district has obtained the services of one of the best school principals in Oregon.

Schmidt, about 35 years old, has been principal of the Pendleton high school during the past year. He has been in Oregon educational work for 12 years including teaching at Coos Bay and service as both an elementary and junior high principal there. He also was an assistant principal of a Eugene junior high school before going to Pendleton.

Schmidt will replace Jay Hills, Leslie principal for the past five years who recently resigned to accept a new position in the state department of education. Several local and out-of-Salem candidates were considered for the Leslie post.

Managers for Farm Labor Offices Named

Branch managers were named Friday for four temporary farm labor offices to open Monday in the Salem area.

Manager William H. Baillie of Salem office of the state employment service said the branch offices would handle employment for the early harvest of snap beans and hops and will close in September.

New offices are at 327 Second st., Independence, under Mrs. Beth C. Mills and at the schoolhouse in West Stayton under Mrs. A. N. Arnold.

Mrs. Julia Kallak will manage the Woodburn office, and Mrs. Alta Hall will handle the office at Silverton.

Portland's City Tax Challenged

PORTLAND, July 15-(AP)—The Portland retail trade bureau officers filed suit today to enjoin the city from collecting its new taxes. A hearing was set for next Friday.

The new ordinance levies a tax on gross sales and increases business and professional license fees.

HUBBY ENFLAMED GRAND FORKS, N.D., July 15

(AP)—Mrs. Alpha Mae Houle, 19, was sentenced to six months in jail today after she admitted pouring kerosene over her sleeping husband's body and igniting it. Andrew Houle, 37, her husband, is apparently recovering.

BASEBALL

WESTERN INTERNATIONAL
At Salem, 4-12, Spokane 3-21
At Victoria 6, Vancouver 7
At Bremerton 2, Tacoma 1
At Yakima 1, Wenatchee 3
COAST LEAGUE
At Los Angeles 2, Portland 6
At San Francisco 1, Seattle 5
At San Diego 4, Oakland 3
At Sacramento 6, Hollywood 3
AMERICAN LEAGUE
At Detroit 6, Washington 7
At Chicago 4, Washington 9
At Cleveland 6, Philadelphia 8
At St. Louis 9, New York 1
NATIONAL LEAGUE
At Brooklyn 11, Cincinnati 8
At New York 1, Pittsburgh (rain)
At Philadelphia 0, St. Louis 1
At Boston 4, Chicago 1

THE WEATHER

Station	Max.	Min.	Precip.
Salem	82	58	.00
Portland	81	62	.00
San Francisco	81	69	.00
Chicago	80	64	.00
New York	79	73	tr.

FORECAST (from U.S. weather bureau, McNary field, Salem): Partly cloudy this morning, becoming clear this afternoon and tonight. High today near 82; low tonight near 53. Agriculture outlook: Except for these activities hindered by moderate winds, the weather will be favorable for farm work today and tomorrow.

Salem Precipitation	(Sept. 1 to July 16)	Normal
This Year	41.41	37.28
Last Year	46.83	