

CITY HOSPITAL CAMPAIGN UNDERWAY TODAY

Overcrowding Woes Stressed; Speeches Urge 'Investments'

Stressing the need for improving Salem hospital facilities in the immediate future, leaders and workers in the \$1,100,000 Salem Hospital Development program Monday night plunged into the general campaign for funds which opens today.

The 160 citizens gathered for dinner and final instructions at the Marion hotel last night heard these major points emphasized by speakers for the occasion:

Local hospitals are definitely overcrowded and barely able to meet present demands for hospitalization. As community institutions both Memorial and Salem General hospitals depend entirely upon the generosity and public spirit of Salem citizens.

IT SEEMS TO ME

By Charles A. Sprague

A charred stump at Owl Camp in Tillamook burn was the appropriate platform for launching Oregon's program for forest rehabilitation. Governor McKay described it as taking "a long, bold step forward to insure that Oregon timberlands will be maintained in full production."

The importance of this program cannot be overestimated. Oregon's \$400,000,000 worth of forest products last year, making forestry the chief bulwark of the state's economy. But we have been gnawing at forests nature devoted hundreds of years in growing—half the virgin forests are gone, many of those that remain are located in remote mountain nook hard to get at with roads and equipment. Some 700,000 acres of cutover lands lie fallow because fires have destroyed seed stocks.

Thus if the state is to avoid exhaustion of its timber resource it must move swiftly to reseed the cutover lands. This now becomes possible through financing provided in a constitutional amendment and an act of the 1949 legislature. Bonds up to \$10,000,000 may be issued in limited amount each year. The proceeds will be under the state board of forestry.

To prepare for performing its duty the state department of forestry has worked out a careful program, starting

Ohlsen to Act As Milk Head For Interim

Appointment of a state milk administrator and reorganization of the state board of agriculture were deferred by board members Monday, but Thomas L. Ohlsen was named acting milk administrator. Ohlsen has been Oregon's deputy milk administrator 16 years under the setup which called for administration of milk control by the state director of agriculture. Oregon's 1949 legislature changed the law to create a separate milk control department with its own administrator, to receive \$500,000 per year.

Board members said permanent appointment to the new post will be decided at a later meeting because one member was absent Monday, G. H. Fullenwider, who was ill.

Selected temporary board chairman until election by full board membership was Fred Cockerill of Milwaukie. He represents the poultry industry on the agriculture board.

Other board members are A. F. Hayes, Brooks; E. R. Lage, Hood River; Lee Holliday, Klamath Falls; Mrs. A. J. Larson, Portland; Harry I. Stearns, Prineville.

Shipyards' Finale Today at Portland

PORTLAND, July 18 (AP)—Portland's shipyard, a giant in the war, will come to virtual halt here tomorrow with the completion of the last big conversion job now under way.

The Swan Island yard will finish conversion of the U-2 troopship Sea Cat into a merchant vessel. It was a \$646,000 job that has given employment to 400 men. They will be laid off.

Animal Crackers

By WARREN GOODRICH



LIVE IN HEALTHY Sunny & Clear ACRES

FOR INFORMATION APPLY BY TRACT

"What's eatin' him?"

BURN AREA OPENED
The Tillamook burn was reopened to logging at 1 a. m., today, it was announced by the state forester's office. Logging was suspended Friday due to adverse weather conditions.

THE WEATHER

	Max.	Min.	Precip.
Salem	74	59	.00
Portland	73	55	.00
San Francisco	83	50	.00
Chicago	91	68	trace
New York	90	71	.00
Willamette river	-2.8		

FORECAST (from U. S. weather bureau, McNary field, Salem): Partly cloudy today, tonight and early Wednesday with clearing during the afternoon. High today near 78; low tonight near 48. Agriculture outlook: Fair weather for most activities except for moderate westerly winds during the afternoon of today and Wednesday.

SALEM PRECIPITATION (Sept. 1 to July 19)
This Year 41.83 Normal 47.28

Scott to Quit GOP Top Post

WASHINGTON, July 18 (AP)—Hugh D. Scott announced tonight that he will resign as chairman of the Republican National committee next month.

Rep. Scott, who has been under heavy fire within his own party in the wake of the "Loyalty" case, said he would resign as chairman of the committee next month.

Scott, elected for a four-year term, said in a statement that he would resign as chairman of the committee next month. He said he would resign as chairman of the committee next month.

Dr. M. K. Crothers, a local physician, addressed the hospital board Monday night. He said that the hospital was overcrowded and that the board should consider the possibility of a new hospital building.

Arana Slain In Guatemala; Palace Raided

GUATEMALA, Guatemala, July 18 (AP)—Finks and armored cars attacked the national palace for several hours tonight after the chief of the nation's armed forces, Col. Francisco Javier Arana, had been assassinated.

War planes zoomed over the palace and armed civilians roamed the streets of the city, despite police orders that citizens keep off the streets.

All the firing stopped shortly after 9 p. m. but there was no indication of whether the fighting was over or if it was merely a lull. There were no casualty reports but ambulances have been busy, indicating some persons had been killed or wounded.

Both President Juan Jose Arevalo and the congress decreed a state of emergency, suspending all constitutional guarantees. (Additional details on page 2)

Is He Sure They Were Well-Meaning Pals?
AUSTIN, Minn., July 18 (AP)—Well-meaning companions put a tourniquet around Thomas Downey's neck after he suffered a head cut in a fall from a truck Sunday.

A woman passerby persuaded them to loosen it. Downey, 25, was reviving when an ambulance arrived. He was released from the hospital today.

Flames Sweep Heppner Buildings

Racial Violence Flares

GROVELAND, Fla., July 18 (AP)—Racial violence broke out in this central Florida farm section tonight as a mob of whites attacked a group of negroes who were working on a farm about two miles west of here.

A mob of whites, including Lake County Sheriff W. V. McCall, led a mob of whites who rode shooting through Stuckey's Still, a negro community five miles from Groveland.

The rioting was the aftermath of the beating and robbery of a white man early Saturday morning by four negroes who the sheriff said subsequently raped his wife by four negroes. Three negroes have been arrested and have admitted participation in the crime. The fourth is still being sought.

Five houses in the group were set afire. One of them was the home of the father of one of the suspects. The houses are separated from the negro section of Groveland.

Guard Watched Again
National guardsmen, mobilized for the second straight night at the sheriff's request, surrounded the negro section here to forestall any violence.

After the mob had been dispersed at Stuckey's Still, several hundred men congregated on the highway at Masotte, another small community west of here. They milled around but told officers there would be no violence if the officers would leave.

The sheriff rushed to Stuckey's Still with Florida highway patrolmen when informed of the shooting. An estimated 40 to 50 shots were fired into the air.

Negroes Dispersed
None of the negro residents of the community was seen, but the incident occurred not long after Sheriff McCall asked for national guardsmen again tonight to patrol Groveland.

Sheriff McCall followed the mob to a country road where he talked to them and they agreed to disband. As the crowd broke up, one unidentified member said: "We know we can't fight the law."

He and several others said there would be no more trouble. (Additional details page 3)

Police Quell London Fight

LONDON, Tuesday, July 19 (AP)—More than 100 police were called out to quell a three-hour fight between white men and negroes last night and early today in east London.

Two negroes were hurt severely and three policemen suffered slight injuries. Eight white men and eight negroes were arrested, some on charges of assault and others for insulting behavior.

In addition to their fists, the combatants used knives, iron bars, chairs, bottles and live coals. Trouble between whites and negroes in Britain is unusual.

Bridges Agrees To Parley with Firm on Hawaii

WASHINGTON, July 18 (AP)—Harry Bridges today accepted a senator's suggestion that he sit down with a management representative and try to settle the 79-day Hawaiian dock strike which has paralyzed the islands' shipping.

Bridges agreed to meet immediately—within an hour and a half after an all-day hearing before the senate labor committee—with representatives of the Hawaiian stevedoring companies and the U.S. conciliation service.

They were to work out plans for an extraordinary peace conference here. The senate committee is studying a bill calling on the president to appoint a board of arbitration to end the strike.

The proposal for the meeting was made by Senator Douglas (D-Ill.), a former professor at the University of Chicago who has had long experience in labor economics. He suggested that Bridges, head of the CIO Longshoremen's union, meet with Conciliation Director Cyrus S. Ching and James P. Blaisdell, attorney for the Hawaiian employers.

Blaisdell said he was not authorized to make an agreement on the union's demand for a 32 cent-an-hour wage increase, but promised to have a negotiator brought from Hawaii for the meeting if possible.

The Douglas proposal met with instant approval of the senate committee which had witnessed a sometimes tense and sometimes humorous running debate between Bridges and Sen. Taft (R-Ohio).

Bridges often accused at his union were trying to communicate the Hawaiian islands.

HONOLULU, July 18 (AP)—Republican and democratic leaders predicted today the Hawaii legislature, despite union and employer opposition, would authorize seizure and operation of strike bound docks.

Steel Hearings Begin July 28

WASHINGTON, July 18 (AP)—President Truman's fact-finding board today set July 28 for the start of public hearings in New York on the question of a fourth round of postwar wage increases in the steel industry.

Chairman Carroll Daugherty told newsmen after a 45-minute organization meeting at the White House that he expects cooperation from both sides in the dispute over wages, pensions and insurance.

Daugherty, professor of business economics at Northwestern university, also predicted that the three-man board will be ready to make its recommendations well within the 45-day period specified by Mr. Truman.

The board was appointed by Mr. Truman in a successful eleven-hour move last week to avert a threatened strike in the steel industry.

Truman Augments Defenses' Unity

Committee Okehs Pay Raise Bill

WASHINGTON, July 18 (AP)—The \$300,000,000 pay raise bill for the uniformed services was approved 9 to 1 today by the senate armed services committee.

The group made some changes affecting higher officers in the bill as passed by the house.

Lowest ranking enlisted men receive pay boosts of 3 per cent. From there the increases would range upward to 40 per cent for brigadier generals, with higher generals receiving a somewhat smaller increase. When the legislation was introduced it was explained that officers, unlike enlisted men, have not had a general raise for years.

Spain Omission From Pact Hit In Senate Talk

WASHINGTON, July 18 (AP)—A complaint that the framers of the North Atlantic Security pact made a mistake by omitting Franco Spain was made in the senate today by Senator Cain (R-Wash.).

Cain stressed what he termed Spain's strategic position in event of a conflict with communism. He also said the door should be held open for Sweden, Greece and Turkey to join the alliance.

The senate debate on the pact is due to vote at 4 p. m. (EST) Thursday, with backers of the treaty confident that the necessary two-thirds will be mustered and the treaty will be ratified without reservation.

Senator Cain, a World War II paratrooper, said he intends to vote for the treaty, but he criticized several phases of it.

Cain particularly spoke out against the treaty's omission of Franco Spain just because, he said, some European politicians "don't like the color of Franco's nose."

Senator Ken (R-Mo.), flatly opposing the treaty, said it meant that the initiative will be with Russia—that Russia will be calling the tune for us—for 20 years.

Ken said England and France, both signers of the Atlantic treaty, now have "military alliances with Russia," and he asked:

"Can we be certain which country Britain and France will support if war breaks out between Russia and the United States?"

"What would happen if Italy goes communist at the next election?" he demanded. "The recs would be free to take over the arms—to use them against us."

"Then, too, if Russia should decide to go to war, she would find we had placed much of our best military equipment at her very doorstep, where we would be in no position to protect it."

"This has already happened in China."

U.S. to Protest Information Gag By China Commies

WASHINGTON, July 18 (AP)—The United States, which hitherto has held its verbal fire against the Chinese communists, suddenly denounced them today for closing down official U.S. information agencies in Shanghai and Hankow.

The "communist captors" of China realize that "public enlightenment is their greatest enemy," said a statement by Assistant Secretary of State George V. Allen.

The state department said it will lodge strong protests.

BASEBALL

WESTERN INTERNATIONAL
At Spokane 6, Vancouver 12
At Wenatchee 17, Victoria 7 (Only games scheduled.)

COAST LEAGUE
At Oakland 1, San Francisco 3 (Only game scheduled.)

AMERICAN LEAGUE
At Detroit 6, Philadelphia 12
At Cleveland 1, Boston 6
At Chicago 3, New York 3 (Only games scheduled.)

NATIONAL LEAGUE
At New York 7, St. Louis 4
At Boston 1, Cincinnati 6
At Philadelphia 3, Pittsburgh 7
At Brooklyn 3, Chicago 6.

Peril Homes; Loss Estimated Over \$800,000

HEPPNER, Ore., July 18 (AP)—A grain elevator fire that spread to seven large warehouses, burned up seven railroad boxcars and two loaded coal sheds was brought under control late tonight.

Damage estimates exceeded \$800,000 in grain and property after the flames wiped out this eastern Oregon wheat area town's largest buildings.

Officials of the Morrow County Farmers' elevator and warehouse and the Interior Grain company reported 190,000 bushels of wheat were lost. Value of the two warehouses and the elevator was above \$250,000.

The boxcars were owned by the Union Pacific railroad and were on a spur alongside the warehouses.

Coal sheds of the Tum-A-Lum Lumber company and the Ed Breslin coalyard, loaded with 150 tons of coal, were leveled.

Fire Chief Charles Ruggies said the fire appeared to start at the top of one elevator, presumably by an electric short circuit.

Flames were prevented from reaching three oil storage tanks across a road from the fire zone. Homes were threatened for an hour.

Injuries Reported
Several were reported injured among the volunteer firemen and scores of townspeople who turned out to help on the lines and fight grass fires. The grass was ignited by burning grain blown from the top of the damaged elevator and scorched over several acres.

Telephone service into the community was knocked out briefly. A lone country line was being used for emergency calls. The phone operator at nearby Arlington said the main circuit into Heppner passed through the fire.

Firemen gave up hope of saving the Morrow county properties an hour after the flames were over. They then concentrated on the Interior warehouse and oil and gasoline tanks, but were unable to save the grain stacks.

Water System Fails

Failure of the water system pressure hampered the fire work briefly, but extra reservoir pumps were thrown into operation. Mobile tankers of the U. S. Forest service and from harvest equipment of the ranchers in the area also were called in and used to augment the regular water supply.

Sparks showered across the countryside by the northerly wind had set off scattered grass fires in the area. Townspeople turned out en masse with brooms and garden hose to wet down the flames.

The municipal fire department had appealed to all neighboring communities to rush available fire equipment.

Chinese Gain, Lose Positions

CANTON, China, Tuesday, July 19 (AP)—Chinese nationalists today reported recapture of Kian, 300 miles north of Canton, in renewed central China fighting.

However, they admitted loss of Kishui, 10 miles northeast of Kian, to communist troops under one-eyed Gen. Liu Po-Cheng.

Nationalists said they had halted a westward thrust by the reds towards the coal mining town of Pingsiang, in the same area as Kian.

Last Chance Tomorrow!

The final week of The Oregon Statesman's Summer Photo contest is underway and the deadline for the last entries is midnight tomorrow.

\$6 far, 15 weekly prizes of \$7.50 have been awarded. Three more will be given for this week's competition. And the \$20 will be given to each of three grand prize winners (in three divisions—children, animals, portrait-character study and pictorial-scenery).

Winners of the final week's contest will be published next Sunday, July 24; the grand prize winners Sunday, July 31.

Maroon shirts and yellow ties figured with horses appeared on Silverton business men Monday as a publicity gesture for the western horsemanship here August 6.

Fact-Finding Board Lays Plans on Dispute



WASHINGTON, July 18—Members of the fact-finding board in the steel labor dispute stand at the White House door today with Dr. John R. Steelman, presidential assistant, after holding their first meeting. Left to right: Samuel L. Rosenman of New York, Steelman, Dr. Carroll R. Daugherty of Evanston, Ill., board chairman, and David L. Cola of Paterson, N. J. (AP Wirephoto to The Statesman).