Governor McKay Approves Salem Rent Decontrol

U.S. Cuts Ties With

Administration Admits Loss to Reds

By John M. Hightower

WASHINGTON, Aug. 5 -(AP)- The Truman administration today ublicly abandoned all hope of saving China from the reds by aiding its nationalist government.

In an unprecedented blast, it labelled that government as a dismal failure in the war against communism.

Instead of aiding it, the administration laid down a policy of encouraging the Chinese people to throw off the "foreign yoke" of a red regime which, secretary of state Acheson charged, served Russian imperialism.

President W. A. Patterson of

is held in connection with a CAB

show-cause order on switches of

ath Falls from United to South-

ilar to that proposed which would

THE WEATHER

SALEM PRECIPITATION

(Sept. 1 to Aug. 6) Last Year 47.00

Portland

West Coast Airlines.

icy was announced in a letter from Acheson to President Truman, presenting him with the long awaited white paper on American relations with China. It was amplified in a statement which Acheson made to

In the statement Acheson laid down five "basic principles" for American relations with China, with emphasis on rebuilding an independent" Chinese nation.

The Acheson letter accepted the stand at a CAB bearing in San communist conquest of China as United Air Lines took a positive Francisco to retain on its routes an accomplished fact.

cities it now serves. The hearing 'No Defeatist' But, Acheson said in his state-

ment, he does not at all share in several California stops and Klam- "the defeatist attitude" of some. The 1,054-page official record west Airlines. The deal was simof Chinese-American relations is prebably without parallel in U.S. end UAL service here and put diplomatic history for its criti-Salem on the feeder line serivce of cism of another friendly government. It bluntly blamed China's This represents quite a change fall to communism on Generalisin attitude from that revealed by simo Chiang Kai-shek and other Harold Crary, vice president in Chinese nationalist leaders. It said charge of operations, who met their unwillingness to win popular with Salem representatives in support for their leadership was Portland recently. Then the of- the root cause of their "failures". ficial attitude was that all UAL Totals U. S. Aid could do (and would do) was to

No battle was lost by the nationsupply statistical information to alists for lack of American aid, CAB, — in other words UAL wouldn't fight to keep Salem on the war has totaled more than - in other words UAL Acheson told the president in his the war has totaled more than Patterson testified at the hear- \$2,000,000,000, he reported.

ing in San Francisco that United The white paper included not would "fight to the last ditch" any only Acheson's letter but also a proposal to have his company dis- 409-page running account continue service to smaller cities. of American-Chinese relations He even went farther and chal- since 1844, including the famous lenged the power of CAB to "take Wedemeyer report.

anything away from us." If any The report by- Lt. Gen. Albert switches were made it could be C. Wedemeyer, who went on a made only by negotiation between special mission to China for President Truman in 1947, conditionally Another UAL executive testified advocated in September of that and labor representatives anthat it would cost the government year a five-year program of Ammore per year if the proposed that if American aid was to be sides. switches were made. That would effective, Chiang would have to be the increase in mail subsidy, undertake extensive economic, the one signed by teamsters in the late Irl S. McSherry, pending ties. the difference between United's political and military reforms.

It appears that now we have suppressed until today because its 1949, 71/2 cents per hous increase gotten United Air Lines "on our publication, particularly in 1947, beginning August 1, and an addiside." That is what we have been would have made trouble for working for, because the combined Chiang's government on account of starting Jan. 1, 1950 and to conresistance of Salem and of UAL a recommendation to take Man- tinue through the year. should be ample to protect Salem's churia out of Chinese control and spot on the United air route. No date has been set for hearing on the West Coast matter ciples to guide U.S. relations in and gravel companies, the Salem

which involves Salem. Local in- China and the far east this way: terests should go forward diligently to prepare a strong brief in encourage in every feasible way of Salem and Builders Supply of support of their case, regardless of the development of China as an Corvallis. the changed attitude of United. independent and stable nation We do not want to lose out be- able to play a role in world afcause of our own negligence or fairs suitable for a great and free indifference; and after all Salem people,

has more at stake than has United. "2. The United States desires to support the creation in China of economic and political conditions which will safeguard basic rights and liberties and progressively develop the economic and social well being of its people.

"3. The United States is opposed trace to the subjection of China to any foreign power.

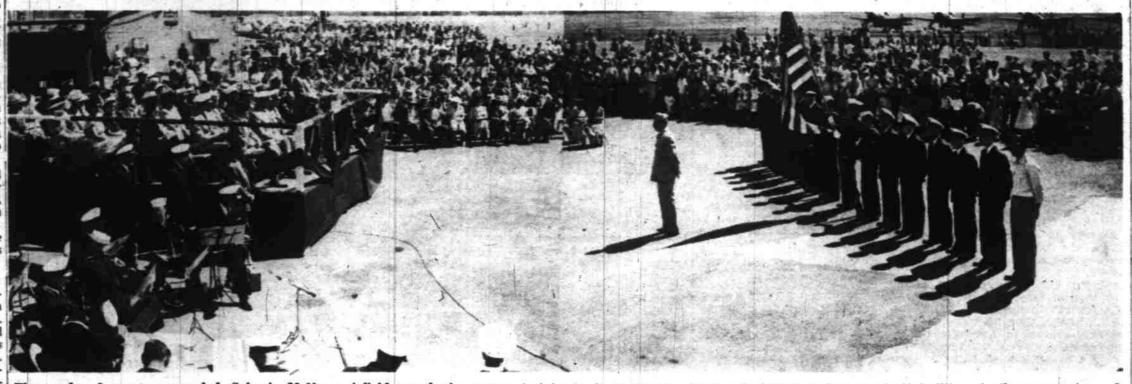
Chicago 86 60 none
New York 88 70 .02
Willamette river -3.3 feet.
FORECAST (from U.S. weather bureau, McNary field, Salem): Mostly cloudy this morning with widely scattered light showers. Partial clearing this afternoon and tonight. High today near 82; low tonight near 56. Agriculture outlook: Conditions generally favorable for most farm work today. "4. The United States will continue to consult with other inter- per hour increase beginning ested powers on measures which July 1. will contribute to the continuing security and welfare of the TAX OFFICE MOVE peoples of that area.

Salem Residents Lined Downtown Streets-

China Nationalists The Oregon Statesman

The Oregon Statesman, Salem, Oregon, Saturday, August 6, 1949

Thousands Witness Commissioning of Salem Navy Air Station



Thousands of persons crowded Salem's McNary airfield naval air reserve training unit at Seattle, flanked by of the Salem naval air facility. As the ceremonies end-Friday to witness formal commissioning of the Naval Air distinguished guests, including Gov. Douglas McKay, Maj. ed 27 aircraft, including fighters and torpedo bombers, Facility station, and to thrill at tight-formation flying Gen. Thomas Rilea and Vice Admiral Thomas Gatch, manned by Seattle naval reservists, roared over the field aviators. On the platform reading commissioning orders USNR. At left foreground is the 13th naval district band in simulated attack and then made carrier landings. is Capt. A. E. Buckley, USN, commanding officer of the from Seattle. In formation at the right are members (Photo by Don Dill, Statesman staff photographer.)

Teamsters End **Gravel Firms**

Settlement of the six-week-old wage dispute between Salem sand and gravel companies and the Salem Teamster's union, local 324,

nounced terms of the new conover a quarter of a million dollars erican aid. Wedemeyer stressed tract were satisfactory to both The new contract, identical to

Albany and Corvallis recently, such choice as the board may

Teamsters signed the new conhand it into United Nations trust- tract with the River Bend, Walleeship. Acheson stated five prin- ing, Commercial and Salem sand Concrete Pipe and Products com-"1. The United States desires to pany, the Oregon Grayel company

Sand, gravel and ready-mix plants will re-open Tuesday while the concrete pipe plant expects to be ready for business Monday. Men will be called back to work interested in holding the position as needed to meet new schedules. The Corvallis plant already is op-

The wage dispute began June 28. The union had asked a wage increase of 121/2 cents an hour beginning July 1 and a 10 cents increase retroactive to January 1. Employers had offered a 10 cents

The public utitilty division of "5. The United States will en- the state tax commission Friday courage and support efforts of the moved from a state-owned dwell-United Nations to achieve these ing, north of the new state office objectives and particularly to building now under construction, maintain peace and security in the into the state capitol. Carl Chambers is in charge of this division

Near 200 Persons Reported Killed Air Show, Band As Earthquake Hits Central Ecuador Concert Mark

Temporary was announced Friday. A joint committee of operators Chest Director

H. C. Johnson, who has been field representative for the Ore- hit. Wrecked bridges and comgon Chest, was designated Friday munications lines prevented acas executive director to succeed curate estimates of total casual-

This was decided at a meeting of the executive committee held tional 21/2 cents an hour increase in Salem Friday. A special comuntil the next annual meeting of

"We feel very fortunate that we ident Warner. "He has been an active worker, is well acquainted with county Chest organizations and knows the operations on the state level. Mr. Johnson is not permanently but will serve until the board can decide on its future organization.

Johnson resides now in Eugene but the state office of the Chest ved as coordinator for cities dur- he announced today. ing the period Camp Adair was power at Albany. He was chairman of the Linn county community chest one year.

Slated for Atlantic Pact

LONDON, Aug. 5-(AP)-A Four- TO HONOR ACTRESS Power high command is being fense system, diplomatic officials

They said the projected supreme

Aug. 6-(AP)-An eyewitness broad-Johnson Named casting by radio from Ambato said casting by radio from Amba that shook Ecuador's populous cenral mountain district yesterday.
Reports reaching the capital Drive Switches tral mountain district yesterday. here said at least six other cities and towns besides Ambato were shattered by a sharp series of

> Ambato, 55 miles south of Quito, apparently was the worst

earth shocks.

Reports from Latacunga, 35 miles south of Quoto, indicated announced a city-wide telephone many killed.

(A government announcement mittee consisting of President 40 persons, mostly soldiers, were penny on up." Loyal Warner, Jesse Gard and killed when an army barracks have some one like Mr. Johnson whether the 40 persons were in- a financial report meeting. available to take over direction of the Chest at this time," said Preswere recovered.)

PORTLAND, A ag. 5-(AP)-Supwill be continued in Salem. He port from legionnaries in 12 states change was needed to bolster the air reserve planes from Seattle proved Friday and "resting comformerly lived in Corvallis where has been received by Frank Bel- drive now faltering in the home and the four "Blue Angels" from fortably." Belt was stricken Tueshe was local manager for the grano, ex-national commander who stretch. Standard Oil company. He ser- denounced national legion officials,

Belgrano, a Portland banker, under construction and operation said telegrams and phone calls of and later became public relations approval had been received from manager for Mountain States complete strangers, most of them veterans of World War II.

At the state Legion convention in Salem yesterday, Belgrano callnational Legion officials "racket-4-Power High Command eers and politicians" and said they spent Legion money to "advance their own control."

HOLLYWOOD, Aug. 5-(AP)-Pre-

more on her 70th birthday August of \$100,000. defense council for the 12 pact 15. Charles Brackett, president nations would be run by the Un- of the academy of motion picture

To Telephones

A general revamping of public was announced Friday. General Chairman A. W. Loucks

most of the city was destroyed and book campaign aimed to give every person in Salem an opportunity to contribute what one issued at Guayaquil, Ecuador, said worker termed "anything from a A. E. Buckley, commanding offi- Water Show Set

"This campaign has been pro-Charles A. Sprague was named to building collapsed at Ambato. gressing much too slowly but we handle personnel appointments Collapse of a church also was re- have one week to save it and this ported to have buried a group of telephone campaign may be the girls praying inside. This an-nouncement did not specify team commanders and captains at

Workers will be courteous but

Every worker in the campaign

ing agreed generally that some watched exhibitions by 40 naval Harry H. Belt, 65, somewhat im-An unexpected change came

when Program Director E. T. view past the field, then came Franklin was called back to Ft. over low in a simulated attack. Wayne, Ind., to serve in that city. Not Enough Best Efforts

a grand job but not enough people are putting forth their best ef-

get the last dollar you can," he form flawless barrel rolls, loops added.

Additional pledges totaling \$3,- mation. 821 were reported at yesterday's planned for the Atlantic pact de- sident Truman will give the open- meeting of public campaigners to today for an exhibition at Seattle ing address in a special radio raise the total for public cam- which will round out appearances broadcast honoring Eithel Barry- paigning to \$33,225 toward a goal in every state of the Union for

Navy Unit Start republican Multnomah county to

facility at McNary field was chairman, explained his position formally established Friday af- this way: "The people meant to ternoon. The city's volunteer elect a democrat." Commissioner naval air reserve unit (active) Gene Rossman said he would "go was commissioned at the same down the line with Shull."

persons jammed the airport for campaigning methods in the Sa- the ceremonies and program. Lt. his charges against Stapley Maclem Hospital Development drive Comdr. Wallace Hug received his Donald, the criminologist whose orders as officer in charge of the suspension touched off the recall facility, and Lt. Ernest Eldridge movement. command of the air reserve unit. Both are Salem men.

The main address was by Capt. cer of the naval air reserve training unit at Seattle. Other For Leslie Pool speakers were Gov. Douglas Mc-Kay, Mayor Robert L. Elfstrom and B. E. (Kelly) Owens, state commander of the American Le- day under auspices of the summer

district band preceded the cere- ter Safety club.

monies. Naval officers attending from swimming strokes, life saving, will receive a page from a tele- Seattle included Rear Adm. H. H. canoes and general rescue equipphone book and will be asked to Good, commandant of the 13th ment. Comedy features are to be call every name on the page. naval district; Capt. F. B. John- included in the free show, accordson, commanding officer of the ing to the announcement of Verfirm and will ask every phone naval air station there; and Capt. owner in the city, "Have you had owner in the city, "Have you had commanding officer of naval of the city, "Have you had commanding officer of naval of the city, "Have you had commanding officer of naval of the city, "Have you had commanding officer of the city," I common officer of the city, "Have you had commanding officer of the city, "Have you had commanding officer of the city," I common officer of the city, "Have you had commanding officer of the city, "Have you had commanding officer of the city," I common officer of the city, "Have you had commanding officer of the city," I common officer of the city of the ci the opportunity to help in this reserves for the 13th naval dis- JUSTICE 'IMPROVED'

Workers at Friday's noon meet- After the formalities the crowd The Seattle planes flew in re- vacationing there.

The "Blue Angels" thrilled the crowd with 20 scintillating minutes of intricate maneuvers. They Franklin said in leaving, "The took off in single file and zoomed people who are working are doing perpendicularly to 2,000 feet, then went through their paces at a speed of 500 miles an hour. Repeatedly they flew low over the "Go to it 'till the last minute and crowd, then climbed back to perand "Cuban eights" in tight for-

The "Blue Angels" leave Salem the group. Following this they Pledges reported Friday raised will abandon their propellorthe overall campaign total to near- driven F8F "Bearcats" in favor of

Awaited An end to rent control in

Federal

lem was approved Friday by Gov. Douglas McKay.

The decontrol action originally recommended by the Salem city council at the instigation of local real estate interests now will go to the national housing expediter for issuance of final orders.

Under the present federal rest law decontrol may be effected if local governments decide after public hearing that a housing shortage no longer exists, and after such action is endorsed by the state's governor and forwarded to the federal agency. Oregon's governor also approv-

ed decontrol of rents in Eugene, Medford and Ashland recently. Governor McKay disclosed that the Salem decontrol proposal had brought only 20 letters to his office, of which 11 favored removal of the controls and the remainder opposed it.

At a public hearing last month before the Salem council, the case for decontrol was submitted by representatives of the Board of Realtors and the Home and Property Owners group who maintained that there were rental vacancies on the local market and that rent control discriminated against their profession.

Representatives of organized labor, the progressive party and local tenants argued in favor of keeping rent control, maintaining that rental units for workingmen's families were still scarce and that decontrol in other areas had led to steep rent increases.

Mike Reinstates Criminologist with Full Back Pay

PORTLAND, Aug. 5 -(A)- Two appoint a democrat if Sheriff M. L. (Mike) Elliott is recalled.

The Salem U. S. naval air Frank L. Shull, commission James Gleason, the other commis-A crowd estimated at 15,000 sioner, is a democrat.

Meanwhile the sheriff dropped

stating MacDonald with back pay and without prejudice.

A public water show at Leslie

pool will be given at 3 p.m. Sunplayground program. Featured will A concert by the 13th naval be members of the Portland Wa-Participants will demonstrate

Seaside Hospital attendants reported state supreme court Justice Corpus Christi air base, Texas. day with a heart attack while

Western International

At Yakima 6, Victoria 4. At Spokane 6, Tacoma 5, At Wenatchee 13, Bremeston 10, Coast League

At Seattle 6, Hollywood 3. At San Francisco 10, Sacramente 9. At Los Angeles 0, San Diego 4. American League At Cincinnati 4, Brooklyn 6. At St. Louis 1, New York 0. At Pittsburgh 1, Philadelphia At Chicago 8, Boston 3.

National League At New York 10-10, St. Louis 2-8. At Boston 9, Detroit 0.



Eager crowds lined Salem streets Friday night to watch the grand parade of the American Legion convention. At left is a long line of spectators straining forward to view the 2nd infantry band

May Vaughn, Sheridan, one of the girls ranging from three years to 14 years of age. At the right is the prize and honor winning drum and bugle corps from LaGrande, which Thursday night won the