

Table with weather forecasts for Salem, Portland, San Francisco, Chicago, New York, and Willamette river.

FORECAST (from U.S. weather bureau, McNary field, Salem): General...

The Oregon Statesman

FOUNDED 1851

Centennial 100th Year logo with 'Growth of Oregon' text.

Reds Capture Southwest Tip of Korean Peninsula

Truman Asks \$10 Billion for Defense; Reds Thrust into U.S.-Held Yongdong

Council Again Calls Railroads on Carpet

By Robert E. Gangware, City Editor, The Statesman. Railroads operating in Salem were called on the carpet again Monday night by the Salem city council.

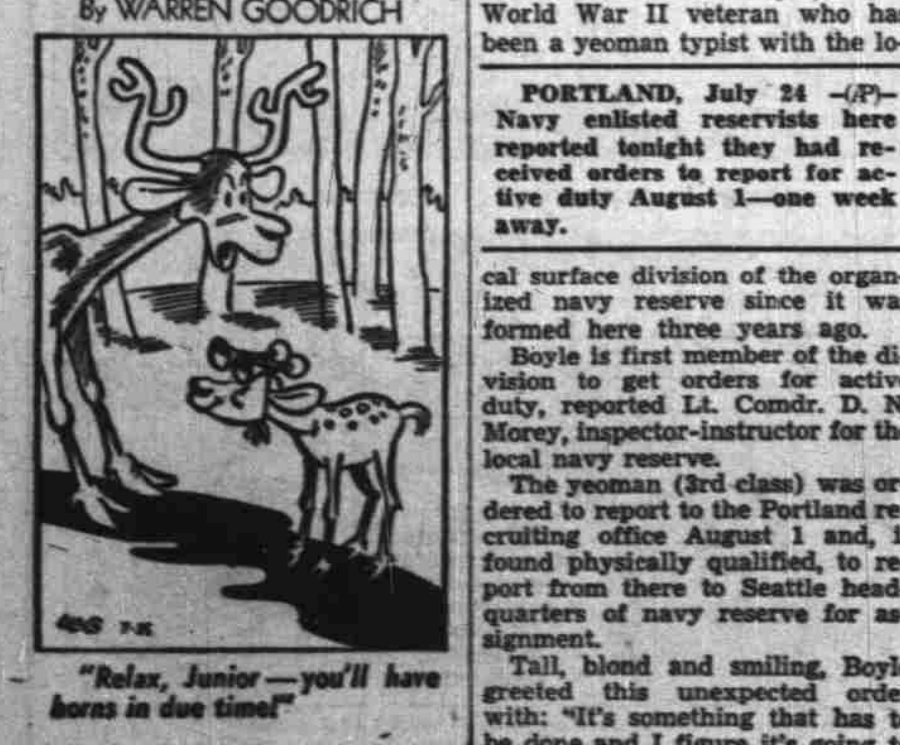
During the 1930's a great deal of timber land was foreclosed on for non-payment of taxes. The counties took title. Their natural impulse was to go the land back on the taxrolls.

Some counties have turned their timber lands over to the state department of forestry to be managed as state forests. Or they invite the state forester to assist them in making sales of timber.

MYRTLE BEACH, S.C., July 24 (AP)—An air force officer said tonight that 39 bodies have been recovered from the crash of a transport plane near here yesterday.

SALEM PRECIPITATION: This Year 43.72, Last Year 41.96, Normal 37.20

Animal Crackers



Income Tax Boost Under Consideration

By Arthur Edson. WASHINGTON, July 24 (AP)—President Truman today asked for \$10,486,976,000 more for defense from Red aggression.

Today he said the money would be needed to train and equip 600,000 men to add to about 1,500,000 provided in the pending budget for the fiscal year.

He said it would be needed to build tanks, planes, guns, ships. Costs Broken Down. Mr. Truman gave this breakdown on the costs:

Army, another \$3,063,000,000 for the fiscal year ending June 30, 1951.

Navy and marines, another \$2,648,000,000.

Air force, another \$4,535,000,000. Establishment-wide (all services) activities, \$240,000,000.

At the same time Chairman Connally (D-Tex.) of the senate foreign relations committee disclosed that administration planners are considering possible use of Marshall plan funds for military projects in Europe.

There were some indications that congress might start action shortly on a stop-gap tax-raising device pending the expected writing of a long-range tax law.

Mr. Truman and congressional leaders discussed the subject at the White House.

To Increase Marines. Congressional sources said an immediate increase of 60 per cent is planned in the fighting power of the marine corps.

While Mr. Truman was studying how this nation might best pay for the Korean war, Symington was plugging in congress for a five-point home front economic program.

Among other things, the administration's economic bill would give the president the authority to:

Take over factories or materials needed in the national defense; Finance businesses needed in the war effort, and.

Lid Taken Off



WILHELM PIECK East German President



OTTO GROTEWOHL Red Prime Minister

German Reds Get Unlimited Term of Office

BERLIN, July 25 (AP)—German communists gave their leaders a blank check today to run Eastern Germany.

President Wilhelm Pieck and Prime Minister Otto Grotewohl of the East German government were reelected co-chairmen of the socialist unity (communist) party without opposition at the final session of the party convention.

The four thousand delegates wound up the five-day convention with a resounding "aye" for the new East German five-year plan calculated to link the Soviet zone and its 18,000,000 people with the eastern economic bloc.

Businessmen in Guatemala Strike Against Arevalo

GATEMALA, Guatemala, July 24 (AP)—A general strike by businessmen, manufacturers, doctors, professional workers and students against President Juan Jose Arevalo's government proved nearly 100 per cent effective in this capital today.

Nearly all business was suspended despite the government's suspension of all constitutional civil rights for 30 days and a threat by the minister of economy to revoke the licenses of all business places participating in the "silent protest" demonstration.

PEURIFOY APPROVED. WASHINGTON, July 24 (AP)—John E. Peurifoy, assistant secretary of state, received approval from the senate foreign relations committee today for ambassador to Greece.

Papers Asked To Avoid Lists Of Army Units

WASHINGTON, July 24 (AP)—The army today asked newspapers and wire services not to publish or compile national or state roundups of national guard and reserve units being called to active duty.

At Pleasantville, N. Y., a spokesman for Reader's Digest said he was aware of Jackson's attack but that officials of the magazine in a position to comment on it were not available.

Jackson quoted Miller also as telling the Portland Oregonian, "I most certainly did write the story but not that part of which calls Dr. Raver a socialist. The editors cut it down and made some revisions."

Solons Back Federal Aid to Needy Cripples

WASHINGTON, July 24 (AP)—A new program of relief payments for 200,000 needy persons who are permanently and totally disabled, at a federal cost of \$65,000,000 a year, was approved today by a senate-house committee writing a compromise social security expansion bill.

However, the group rejected a house-approved provision for extension of the old age and survivors insurance to cover persons who became unable to work because of illness or accident, regardless of their need.

This means that such handicapped persons would get relief under the federal-state money matching system for public assistance, based entirely on their need.

The needy permanently and totally disabled would get benefits on the same basis as the needy aged. The federal government would pay three-fourths of the first \$20 a month paid such a recipient, the state one fourth; then the government would contribute one-half of the remainder paid the recipient, up to a total payment of \$50 for each recipient.

Draftees Fail To Report for Induction Exam

PORTLAND, July 24 (AP)—Pre-induction exams for young men to be drafted into the armed services by September got underway here today. But only half of those ordered up appeared.

The delinquencies of 20 men drew a sharp warning from Col. Francis W. Mason, deputy director of Oregon selective service. He said those who failed to show up must give a satisfactory explanation to their draft boards by August 1.

Col. Mason blamed the high delinquency rate on failure of registrants to keep their boards advised of change of addresses. Several of the men examined today were previously listed delinquent for minor infractions of selective service regulations.

Magazine Scolded for Calling Raver 'Socialist'

WASHINGTON, July 24 (AP)—Rep. Jackson (D-Wash) in a house speech today attacked the Reader's Digest for an article which referred to Dr. Paul J. Raver, head of the Bonneville Power administration, as "another socialist."

The description appeared in an article entitled "What does the CVA mean to you?" The article appeared under the byline of Leslie A. Miller, former governor of Wyoming.

Jackson told the house Miller had told Raver in two telephone conversations that he did not write that part of the article and "that those words personally attacking Dr. Raver were inserted by the Reader's Digest."

At Pleasantville, N. Y., a spokesman for Reader's Digest said he was aware of Jackson's attack but that officials of the magazine in a position to comment on it were not available.

Jackson quoted Miller also as telling the Portland Oregonian, "I most certainly did write the story but not that part of which calls Dr. Raver a socialist. The editors cut it down and made some revisions."

Added Weight Limits Escape In Crook Jail

PRINEVILLE, Ore., July 24 (AP)—A 19-year-old parole violator removed a stone block and escaped from the Crook county jail here last night. Another prisoner who used the same method to flee 20 years ago stood by and watched.

Sheriff Ralph Jordan said the missing man is Morris Faulkner, wanted in Skamania county, Wash. The opening left by removal of the block was 12 by 18 inches.

Acey Dunn, who watched, couldn't have gone, too, even if he wanted to, Sheriff Jordan said. He's much stouter than he is 20 years ago.

Alsea Blaze Under Control

CORVALLIS, July 24 (AP)—Fighters reported today they had controlled a forest fire that threatened to trap about 40 men.

The Polk-Benton fire protection district said the blaze started yesterday afternoon from the backfire of a logger's power saw. It covered about 25 acres before being checked.

Areas Closed Due To Fire Danger

Closure of three forest areas in Tillamook, Klamath and Josephine counties were ordered by Gov. Douglas McKay Monday, due to forest fire hazards.

Southwestern Korea Defense 'Not Practical'

TOKYO, Tuesday, July 25 (AP)—Korean communist forces thrust into American-defended Yongdong on the central front Monday night and completed their dash down the west coast, grabbing control of all rail and highway routes in southwestern Korea.

Troops of the U. S. First Cavalry division were reported "holding their own" against the red push into Yongdong on rail and highway routes 20 air miles south of communist-held Taejon.

This was the big North Korean push although the entire 150-mile American-South Korean front was under heavy pressure.

The reds kept the heat on despite excellent flying weather Monday which gave ground-supporting allied fighters and bombers their chance to get in good lucks. A far east force communiqué said the planes knocked out 10 tanks and 36 trucks along the 38th parallel June 25.

Fanning out from Kwangju, which they captured Sunday, the swift-moving reds took Namwon, junction point for railway and highway routes running north from southwestern Korea. Rail and highway routes from Kwangju and the big southern port of Suncheon join at Namwon. The reds also thrust 20 miles east of Kwangju and took Kurye just west of the rail-road routes between Suncheon and Namwon.

State Forest Timber Sale Tops Estimate

Prices ranging from three to five times higher than expected prevailed at a state forestry department timber sale Monday.

Two tracts were purchased by the Scoredrite company of Portland. The company bid \$33,500 for 1,600,000 feet of Douglas fir located approximately five miles northeast of Mehama in eastern Marion county, for which the forestry department expected to receive about \$15,000.

For another tract, involving between 8,000,000 and 12,000,000 feet of timber on 7000 acres of logged off land in the Rock creek area near Mill City, also in eastern Marion county, the Scoredrite company bid \$27.25 per 1,000 feet for Douglas fir.

The forestry department had expected a bid of about \$5 per 1000 feet for this timber. It bid \$10 per 1000 feet for the hemlock, \$10 for cedar and \$15 for Noble fir.

There were 12 bidders for each timber sale. Forestry department officials said the bids indicated that timber prices will rise even more.

Machinists Union Dickers for Reaffiliation With AFL, Conference Delegates Told in Salem

The International Association of Machinists, an independent union, is negotiating for reaffiliation with the American Federation of Labor, according to reports heard Monday by 128 delegates in Salem for the annual western states conference of machinists.

Delegates and other union officials were welcomed to Salem Monday by city officials and local labor representatives. Keynote speaker was J. L. McCreen, general vice president of the International Association of Machinists, serving the northwest area.

BASEBALL schedule listing games for Western International, Coast League, National League, and American League.