

Senate Approves Cigaret Price Bill

IT SEEMS TO ME

By Charles F. Sprague

I am not much impressed with the bill of particulars in the Oregonian's "crusade" against the state liquor commission. It is quite indefinite. It savors more of an accumulation of gripes than of a serious maladministration. In my opinion they do not warrant the importance the Oregonian has attached to them. They happen to have coincided with Commissioner Bennett's grandstanding which brought more publicity but not the least bit of proof of his aspersions. I am not impressed with the action of the Portland ministers in asking for a grand jury investigation, for they have merely jumped at the headline. What have they done to impress the Portland city council or the liquor commission with the need for closer scrutiny of licensees? In my opinion sufficient justification doesn't exist for a full-scale legislative inquiry into the liquor administration, on the basis of complaints lately raised.

In brief accusations are made that licenses to sell liquor are given to persons who shouldn't have them, that enforcement is lax, and that certain attorneys appear to be favorites. As to the first item judgments naturally will differ on marginal cases. For example the Oregonian reporter who has gotten a byline for this expose, last year wrote a character letter endorsing one whose license the commission suspended for violation of regulations. Evidently this time the reporter thought the commission was too strict!

Whether enforcement policies have been lax or not I cannot say, but I am quite sure that the commission's policies in this regard are not prompted by any desire to be easy on law violators. Here again the element of discretion enters in, the offhand judgment of those not fully acquainted with the facts should not be accepted.

(Continued on editorial page, 4.)

Act Sets Minimum Profits

By Lester F. Cour
Staff Writer, The Statesman

Oregon's senate Wednesday voted 16 to 11 to approve a bill seeking a minimum price on cigarette sales—a law which would boost the cost of cigarettes two cents a package.

The measure now goes to the house where it is expected to run into some opposition from members who favor cigarette tax. Several senators Wednesday opposed the minimum price bill, stating it would virtually kill any chance that the people would accept a cigarette tax if it passed in the legislature.

A boost effected by the proposed minimum price law, plus the proposed 3-cent-a-pack cigarette tax, would raise cigarette prices five cents a package.

Sen. Douglas Yeater, Salem, told the senate the so-called "fair trades cigarette act" would benefit small businesses by preventing chain stores and large businesses from selling cigarettes below cost. He said cigarettes are the only item being used exclusively as "loss leaders" throughout the country.

Yeater asked the senate to take action on the bill, declaring that Rep. Rudie Wilhelm, Portland, chairman of the house tax committee had said that no cigarette bill would be presented by his committee this session.

Yeater Said Mistaken

Wilhelm, however, said Yeater was mistaken in this impression. Wilhelm said he had told Yeater that he didn't intend to sponsor a cigarette tax bill, but that he didn't have any assurance that one wouldn't be introduced.

It is generally known that Rep. Giles French, Moro, has been circulating a cigarette tax bill to obtain signatures of house and senate members. The 1949 legislative tax study interim, of which French was a member, recommended a 3-cent-a-pack cigarette tax to finance the veterans' bonus approved by the voters last November.

For General Expenses

Some legislators have objected to earmarking the cigarette tax for bonus, and now it is generally agreed it would be used to pay general state expenses. The three-cent tax would raise about \$5,000,000 a year, according to past records of cigarette sales.

Further complicating the cigarette issue is President Truman's recent proposal to congress which would raise the federal tax on cigarettes another three cents.

The bill passed in the senate Wednesday would require retailers to sell cigarettes at least 10 per cent above cost and would give wholesalers a 4 per cent margin.

\$1.60 Mandatory

Thus, retailers now buying cartons of cigarettes for \$1.45 and selling them for \$1.49—a popular practice—would be required to get at least \$1.60 a carton. This, coupled with a 4 per cent markup by the wholesalers, would amount to a two-cent increase on each package.

Yeater said wholesalers would pay a \$250 license annually and retailers \$5. This would yield about \$65,000 a year. All of this but \$10,000 would go into the general fund.

Sen. Warren Gill, Lebanon, opposed the minimum price law, saying it was "against free enterprise and shouldn't be fostered by the legislature."

Sen. Carl Engdahl, Pendleton, said "Oregon isn't in the financial condition to support this extra load," and said the minimum price proposal should be tied in with a cigarette tax.

Sen. Dean Walker, Independence, said the minimum price law would interfere with passage of a cigarette tax bill.

Voting for the minimum price law on cigarettes were Senators Bain, Brady, Chase, Ellis, Gardner, Hardie, Holmes, Lampert, Lynch, Mahoney, Marsh, Musa, Parkinson, Wilcox, Wilson and Yeater.

Voting against it were Senators Belton, Bull, Coon, Day, Engdahl, Gill, Hilton, Neuberger, Walker, Walsh and Patterson.

Both the house and senate will meet at 10 a.m. today.

(Other legislative news on page 15).

Governor, Solons Hear Symphony at Capitol



An impromptu concert in the capitol rotunda by the Portland symphony orchestra earlier this week not only furnished an audience of 300 with pleasing music, but reminded the Oregon legislature of a bill which would allow a special levy for maintenance of the orchestra to be presented to Portland voters. Here, Gov. Douglas McKay, left, meets Conductor James Sample, right, Sen. Jack Lynch, Portland, stands behind Gov. McKay. (Statesman photo.)

Senators Back Liquor Board Investigation

A legislative committee to investigate the state liquor committee was recommended Wednesday by the senate alcoholic traffic committee.

The committee's action followed closely Gov. Douglas McKay's order turning down demands that he order a grand jury investigation of the commission.

The interim committee approved by the senate committee would be made up of three senators and four representatives. It would have the authority to order witnesses to testify and could continue its investigation until the 1953 legislative convenes.

Sen. Frank Hilton, Portland, said a legislative committee would be more effective than a grand jury because it would spend more time on the investigation.

Senate Votes 4 Million Armed Forces Ceiling

Troop Move Wins Senate Support

WASHINGTON, March 7-(AP)—President Truman today won the backing of two senate committees for sending American troops to Europe.

The foreign relations and armed services committee, acting jointly, approved an administration proposal to do "our fair share" in contributing armed forces to defense of the North Atlantic treaty area.

Wenatchee Plant Site

WASHINGTON, March 7-(AP)—If the Aluminum Company of America builds its proposed new \$65,000,000 plant in the northwest, the site will be near Wenatchee. That was the word today from R. A. Leonard, Alcoa's district sales manager here.

On the senate floor, however, the draft bill was amended to clamp a ceiling of 4,000,000 men in the armed services by a 49-41 vote. Early in the Korean conflict congress had wiped away all restrictions on the size of the military manpower.

Today's action was against the wishes of military leaders who have said it might prove dangerous in an emergency. Some senators who wanted no ceilings voted for the 4,000,000 figure as a substitute for 3,500,000 which also had been proposed.

Although the 4,000,000-man figure allows a margin above the mid-1951 goal of 3,462,205 men on active duty, Secretary of Defense Marshall argued that this goal is "not a ceiling" but a minimum.

The views of Marshall and others protesting against the 3,500,000 man limitation were read to the senate during a short, sharp debate. Supporters of restoring a lid argued congress should retain such control for fear of an unwarranted military expansion.

Senator Morse (R-Ore.), who proposed the 3,500,000 man ceiling, contended that even with the expansion following outbreak of the Korean war, the nation's military forces now number only 2,500,000 to 2,600,000.

Morse drew support of Senator Taft (R-Ohio) in opposing both the 4,000,000, and a 3,000,000 figure.

Boy Wins in Parrish Spelling; Three Other Victors Selected

Mack Harris, 13, son of Mr. and Mrs. Ross B. Harris of 1055 16th st., will represent Parrish Junior High in The Statesman-KSLM Spelling Contest. Mack, an 8th-grader, won in a spelling contest of 16 girls and 4 boys at Parrish assembly Wednesday. (Additional details page 5).

Placing second was 13-year-old Mack Harris, daughter of Mr. Jennifer Parry, daughter of Mr. and Mrs. J. C. Parry of 895 Bieber ave., and third was Larrie Lou Osterman, 14, daughter of Mr. and Mrs. Lawrence Osterman of 1220 Columbia.

Mack will compete against winners from Leslie and West Salem Junior Highs, West Salem Academy, School for the Blind and Livingstone school in the semi-finals at Parrish auditorium at 7:30 p.m. Monday, April 2.

Stayton — Shirley Wodtly, 13, daughter of Mr. and Mrs. Harold F. Wodtly of 1411 3rd st., Stayton, held the spelling championship at Stayton Elementary school today. She will vie in the semi-finals of The Statesman-KSLM spelling contest at here April 4.

Shirley, an 8th-grader, was certified for the contest by Principal J. L. Graham. Her teacher is Norval Carr.

Second-place winner at Stayton

was 12-year-old Carol Smith, daughter of Mr. and Mrs. Fred Smith of route 1, box 38, Scio, and third-place winner was Clarice Relif, daughter of Mr. and Mrs. Harold Relif of route 1, box 61, Aumsville. Both are in the 7th grade.

Certificates of excellence have been sent to all three winners.

St. Louis — This northern Marion county school will be represented in The Statesman-KSLM Spelling contest by 13-year-old Ramona Tooley, daughter of Mr. and Mrs. C. J. Tooley of route 1, box 278B, Woodburn.

Ramona, an 8th-grader, was certified as school spelling champion by her principal and teacher, Margaret Whitney.

Winning second place was Patricia Tesch, 13, daughter of Mr. and Mrs. Joseph Tesch of route 1, Gervais, and third-place winner is Shirley Eaton, daughter of Mr. and Mrs. Paul E. Eaton of route 1, Gervais. Both are in the 7th grade.

Ramona will compete in a semi-final contest at Hubbard, March 21.

Oakhurst — Chosen as this Polk county school's representative in the semi-final spelling contest at Falls City on March 27 was Duane Fehrenbach, 14, son of H. W. Fehrenbach of route 2, Dallas.

Duane is in the 8th grade. Nella Harris, his teacher and principal, certified him as the winner.

Adjudged second-place winner was 12-year-old Patty Melius, and third-place winner Gwendolyn Hurst, also 12. Both the runners-up are in the 7th grade.

Patty is the daughter of Sally Melius of Falls City and Gwendolyn the daughter of Floyd Hurst of route 2, Dallas.

These words will figure in The Statesman-KSLM Spelling Contest for 7th and 8th grades pupils of Marion and Polk counties:

gulf
headache
husband
insect
ladies
lively
manager
melon
million
motorist

neighbor
favorite
forenoon
frighten
gentlemen
gown
guest
hospital
injure
jolly

USAF Call-up To Take Over 30 Valley Men

The army air force will call upwards of 30 Salem and mid-valley reserves to duty April 1 when the 403rd Troop Carrier wing is activated at Portland.

Details were reported Wednesday by members. Many of them have been members of the reserve wing for 18 months and have spent one week end each month training at Portland air force base.

Allen McRae, Salem juvenile officer, is one of the reserves to be called. A complete list has not been released by the air force.

Others, as recalled by reserves here, include the following Salem men: Ned Burris, Delbert Gosser, Don Wagoner, Dean Needham, Thomas Johnson, Harold Alderin, L. V. Thomas, Alva Johnson, Robert Gentskow, Russell J. Christianson, Charles Creelious, Gordon King, George Day, Leonard Odom, Alvin Armstrong, Melvin Hewitt, Chester Fritz, Malcolm Falge, Frank Dressler, George Duffey, Don Wegner and Victor Stratton.

Eldred Eilers, Lebanon, and Mat Wagner, Mt. Angel, also were reported as members of the 403rd wing.

ECLIPSE SEEN IN EAST

MIAMI, Fla., March 7-(AP)—A partial eclipse of the sun, the first of 1951, was visible over most of the eastern United States today but the view was best in Florida.

Animal Crackers

By WARREN GOODRICH



That your idea of a kindly old lady with a box of cracker jack? Now, come on!

| THE WEATHER | | |
|---------------------------|------|------|
| Station | Max. | Min. |
| Salem | 41 | 23 |
| Portland | 41 | 23 |
| San Francisco | 56 | 47 |
| Chicago | 40 | 37 |
| New York | 37 | 27 |
| Willamette River 3.2 feet | | |

FORECAST (from U. S. weather bureau, McNary field, Salem): Mostly cloudy with showers of snow or rain and snow mixed today and tonight. High today near 42 and low tonight near 29.

SALEM PRECIPITATION
Since Start of Weather Year Sept. 1
This Year Last Year Normal
43.51 33.12 28.29

TV or Not TV Is the Question In Contempt Case

WASHINGTON, March 7-(AP)—The senate crime committee voted today to cite James J. Carroll, nationally known betting commissioner, for contempt of congress to test whether a witness can be forced to testify before television cameras.

Carroll refused to answer the committee's questions at a hearing in St. Louis last month on the ground that the television cameras recording his testimony invaded his constitutional right of privacy.

He said he was willing to testify, but told the committee at a stormy session that the televising of his appearance outraged his "sense of propriety."

Cold Snap to Moderate in Valley Area

Rain by Friday but more snow flurries for the mid-valley today, the weather bureau predicted early this morning.

Slightly higher afternoon and evening temperatures today and tonight are the only encouraging signs for persons weary of the five-day cold snap. Ice streets were expected this morning.

Ice was blamed for an eight-car pile-up on 99-E south of Salem. A three-unit freight truck also jackknifed on icy south 12th street hill. No injuries were reported.

The Salem fire department asked householders to keep an extra cautious eye on their heating plants and other possible origins of fire. Many firemen, including Chief W. P. Roble, are ill with influenza, said Assistant Chief E. L. Smith. The department is operating at "minimum strength," Smith added.

Elsewhere most Oregon points reported freezing temperatures. It was 3-below at Bend. Portland blamed the weather for the death of James Joseph Bannister, 35, in a traffic accident on icy St. John's bridge.

Bus Drivers Accept Offer in Two Cities

MEDFORD, March 7-(AP)—Medford, Ore., and Redding, Calif., bus drivers and station employees have accepted Pacific Greyhound's strike settlement offer, Harold Oathes, union business agent said today.

He said the vote for the remainder of the western area employees would not be completed before tomorrow night. Results of the Redding and Medford balloting are too small to forecast the outcome, he said.

U.N. Forces Fan Out from Triple Han Bridgehead

By Robert Eunson
TOKYO, Thursday, March 8 —(AP)— Tanks and troops of the U. S. 25th division fanned out today from a triple bridgehead across the Han river in a flanking drive east of red-held Seoul.

More than 5,000 Chinese were killed, wounded or captured yesterday as the infantrymen surged across the Han in assault boats and established three bridgeheads 15 miles east of the ancient Korean capital. No other allied troops in the current drive have crossed so near to Seoul.

The power-packed push, which gained up to three miles, was part of a general allied attack pressed along a 70-mile front in west central Korea. Gains elsewhere were as much as five miles.

U. S. Eighth army headquarters estimated that 11,039 reds were killed or wounded across the wintry battlefield Wednesday.

Latest reports today from east-central Korea said South Korean troops have recovered from a setback of three miles yesterday and have regained some of the lost ground.

AP Correspondent Jim Becker, across the Han with the 25th, said the stunned Chinese surrendered in groups. Yesterday's bag of 204 prisoners was the biggest one-day haul by a single division since the war's outset.

Other Chinese fled in panic. Last night, the reds managed only one counterattack. It was repulsed.

This morning, the infantrymen began expanding their hold on the sandy highlands east of Seoul.

At the east end of the estimated 13,500 North Koreans struck hard at Republic of Korea troops and drove them back at least three miles.

These furious attacks and counterattacks may be a prelude to the expected Chinese spring offensive, with the allies trying to keep the reds off balance while the North Koreans probe for a soft spot in South Korean lines.

division with tanks stormed across the twisting Han river 15 miles east of Seoul to open the allied onslaught.

Other allied units all down the line to Pangnim kicked off with general attacks. Thundering artillery barrages plowed enemy positions along the front.

A field dispatch said the major gain of the day was a five-mile advance on the west central front west of pivotal Hoengsong.

Mac Says 'Limitations' To Result in Stalemate

SUWON, Korea, March 7-(AP)—General MacArthur said today continued "limitations upon our field of counteroffensive action" means the Korean war "cannot fall" to end in a stalemate.

But the U. N. commander predicted the great casualties suffered by the enemy would shake the Red China regime and dampen its ardor for any other "aggressive adventures" in Asia.

MacArthur read his carefully-worded statement at a news conference in a tent beside Suwon airstrip. The conference followed a three-hour tour of the front with Lt. Gen. Matthew B. Ridgway, 8th army commander. It was MacArthur's 12th wartime flight to Korea. He then flew back to Tokyo.

MacArthur said the Chinese communists have no more than "an almost hopeless chance of ultimate military success."

He said on the other hand the United Nations, barred from attacking communist war production in China and without reinforcements, can achieve no more than continuing stalemate.

MacArthur seemed to suggest to the United Nations to put more strength into convincing the communists they should seek a peaceful settlement in Korea.

SENATOR'S FATHER DIES

REDMOND, March 7-(AP)—Cecil G. Hitchcock, 71, father of State Sen. Phillip Hitchcock, Klamath Falls, died at White Swan, Wash., today, relatives here were informed.

Washington Court Stalls Decision on Wilsons

OLYMPIA, March 7-(AP)—The state supreme court deferred its decision today in the appeal of Utah and Turman Wilson from their conviction of the kidnapping-murder of 18-year-old Joan Dewey of Vancouver a year ago. The high court heard oral arguments in the action for more than four hours today.

BUSINESSMEN GROUNDED

KLAMATH FALLS, March 7-(AP)—A snowstorm grounded Oregon's flying businessmen here today, returning home from a 3500-mile trip to Mazatlan, Mexico.

100 Years Young This Month The Oregon Statesman 1890 at Zena School



Zena school in Polk county turned out for this interesting "shot" around 1890. The photo is the property of Ralph Shepard of route 1, Salem, who is in the picture. In front row (left to right) are Otto Pettit, Claiborne Shepard (deceased), Guy O. Smith (Delake), Worth Henry (4993 Cherry ave., Salem), Fred Furvine (Portland), William Crawford (deceased); Second row—Virgil Cookman, Earl Pettit, Edgar Crawford (1895 N. 19th st., Salem), Virgil Cochran (825 N. 24th, Salem), Wayne Henry (2nd Shipping st., Salem), Ralph Shepard, Eugene Walt (deceased), Greta Phillips (945 N. Winter st., Salem), Alice Fike (Ferrydale), Emma Fike (deceased), Mary Pettit, Lorena Smith, (Phillimore, Calif.); Third row—Charlotte Fike (McMinnville), Nellie Smith (Albany), May Smith (deceased), Daisy Hunt (Portland), Ray Shepard (Washington, D. C.), Monroe Furvine (Pendleton); Back row—Lynn Furvine (deceased), Mary Walt (deceased), Beale Shepard (deceased); Ellen Sykes (teacher), Lena Smith, Walter Hunt (route 6, Salem), Frank Walt (deceased), William Pettit, Clyde Henry (Los Angeles).