Dual Role of RFC Official Brings Inquiry

WASHINGTON, June 18-(AP)-The justice department is investigating the case of a former Reconstruction Finance corporation official accused of working for an RFC borrower while still drawing \$10,750 a year from the govern-

ministrator, identified the official as Allen E. Freeze, 52, of Dallas, former assistant comptroller of the RFC. Freeze flatly denied the

Symington told a news conference that Preeze accepted a salary from the Texmass Petroleum company of Dallas at least five months before leaving RFC and "carried to discharge bulk molasse Picketed at Tacoma we wessels which docked the discharge bulk molasse and for Taxon and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving RFC and "carried to the American Mallaries" and the Picketed at Tacoma we were also before leaving the American Mallaries and the Americ on business with and for (Tex-mass) from his office at the RFC." In Dallas, Freeze said the charges are "absolutely untrue." He said he had given RFC several months' notice of his resignation, effective to sail because rail last September 28, and except for walked off the job. drawing accumulated annual leave salary, to which he was entitled, he was no longer associated with RFC when he joined the oil com-

Symington stated the case had been referred to the justice de-partment for possible prosecution. He also said civil proceedings will be started against Freeze to re-cover possibly \$4,000 to \$6,000 in government salary and about \$500 in telephone tolls Freeze allegedly ran up on a government account while doing business for Texmass.

Freeze became vice president and comptroller of Texmass at a salary of \$22,500 a year. He has gotten a raise since, Symington said. Freeze is now an official of Texas Consolidated Oil, Inc., successor to Texmas Petroleum.

Texmass obtained approval for a \$15,100,000 loan from the RFC while Freeze was working for the government, and has drawn \$14,-275,175 of it.

2 Men Found _ Dead in U.S. **Cuban Embassy**

HAVANA, Cuba, June 18-(AP)-A U. S. Marine sergeant and a Cuban night watchman were shot to death in the United States

embassy early today.

Dr. Jose Diaz Padron, chief of Havana's police crime laboratory, said tonight that "the scientific facts now available all indicate this was a case of murder and suicide—that the marine sergeant if he w

The American embassy did not disclose any information as to how, when or why the two men

Victims of the double shooting were identified as Marine Sgt. Robert James Sheldon, 22, and Augustin Fernandez, 67, for 20 years a night watchman in the Horter building housing the em-bassy offices. They were shot sometime between the hours of China. 1 a. m. and 5:45 a. m.

The police said Sheldon's own gun had been fired twice and that a paraffin test of his hands showed he had discharged fireshowed he had discharged firearms recently. Ballistic tests were U.S. Citizenship being made.

Dr. Padron said his murder-suicide theory was "based on the lack of any evidence that a third person was present, on the phy-sical evidence at the scene, and scientific evidence that the ser-geant recently had fired a gun. Of the motives, we know nothing."

A brief embassy announcement said the two men were found dead when the building was opened this morning and that robbery apparently was not the motive. In Washington the state department said no government papers had

Britain to Meet Part of Iran's **Cash Demand**

LONDON, June 18 -(AP)- The British have agreed to part way in meeting Iran's demand for cash in order to settle the oil controversy, informed officials said to-

The British-owned Anglo-Iranfan oil company's negotiators will offer about 10,000,000 pounds (\$28,000,000) as part of a general counter-proposal when they meet with the Iranian negotiating team \$75 Damages in Tehran tomorrow, it was re-

But Hossein Maki, right hand man to Iranian premier Mohammed Mossahegh, declared at Abadan that unless Britain met Iran's full demands, "we'll shut off the management of the

Burns Fatal to Lebanon Man

LEBANON, June 18-(A)-Burns suffered in a fire apparently started by a smoldering cigaret claimed the life of Roy Kelly, ut 35, here Saturday night.
Celly was asleep on a davent when the fire started, AssistFire Chief Vern Reeves reted. Thinking his family was
eep upstairs he raced there, but

Radiomen's Strike Keeps Ships in Port

By The Associated Press Pickets of the striking CIO American Radio association ap-peared at Seattle, Tacoma and Portland yesterday, holding up cargo handling and preventing TOKYO, Tuesday, June 19 -(P)-A two-pronged drive Tuesday, captured heights commanding a red staging and buildup area about 20 miles north of parallel 38 in east-central Korea. scheduled departure of some vespreparations for a new offensive, carried the fight to the communists on the ground and whipped them decisively in the air. A new jet battle Monday near the Manchurian border brought the allied bag of enemy planes in two days

In Seattle, the Alaska Steamship company announced cancel-ing of the Wednesday sailing of the SS Denali which was to have carried 150 passengers and cargo

. The Seattle-Hawaii freighter SS Hawaiian Planter was held up at its pier in Seattle. It had been scheduled to shift to another dock

Picketed at Tacoma were two vessels which docked there yesterday—the American Mail Line's India Mail and the P. and T. Leader, owned by Pope and Tal-

At Portland, the Jacob Lucken-bach an dthe MormacGulf failed because radio operators The policy apparently was picket ships ready to shift to

Vessels carrying military cargo were not affected.

other berths or to sail on regular

speedy F186's escaped without harm. day as the first full impact of nationwide maritime stoppages hit American ports.

Steel for New NEW YORK, June 18-(AP)-Ship

hit American ports.
The CIO Maritime union said that 80 ships slated to be on the Bridge Due to high seas were "sitting still" on the east and gulf coasts.

Mac Inquiry **Board Plans Quick Windup**

WASHINGTON, June 18 -(AP)-The senate inquiry committee voted unanimously today a quick windup of its hearings on the firing of General Douglas MacArthur and the broader issue of the administration's Far East policies. At the same time Senator cation on any pri Bridges (r-NH) protested that six pro-administration witnesses have already been heard against three College Draft Test

on the other side of the great controversy. And veteran democratic Senator Connally of Texas agreed there was "not a very accurate balance" deferment tests given college stu-

of witnesses. The 26-man committee voted to Marion county selective service ring down the curtain after it office. No results were disclosed hears four more witnesses within the next eight or 10 days — plus be considered by the draft board rebuttal testimony by MacArthur in conjunction with forms to be

ness chair.
As additional witnesses, committee decided to call: Patrick J. Hurley, former am-

assador to China. Maj. Gen. Emmett O'Donnella former commander of the U.S.

strategic bombing force in the Far Maj. Gen. David C. Barr, former commander of the U. S. 7th divis-ion in Korea and one-time chief of an American military mission to

Vice Admiral Oscar Badger, former U. S. naval commander in the Far East.

Marion County

United States citizenship was gained by eight Marion county residents Monday in final examination and a ceremony in the circuit court here.

Two petitions were denied, as result of withdrawal or failure to pursue the action, and two were continued to the next session of the semi-annual naturalization court. The new citizens are Richard William Peters, 262 W. Miller st.; Arlene Parks, 3040 Livingston st.; Simone Marie Collette, 1715 Waller st.; Florence Mae Hilker, 1315 Center st.; Kathleen Annie Pokorny, Woodburn route 1, box 213, and Edward Bernard Salstrom, 1662 N. 5th st., all former Canadian citizens. dian citizens.

William Harry Joyner, 550 N. Summer st., came from Britain, and India Rachel Martinson, Aurora route 1, box 291, from Norway. The dinner party for the group, sponsored by Salem YMCA, where they have taken classes in citizenship, will be Saturday, July 7.

Lynch to Pay

PORTLAND, June 18 - (AP) - A

Plaintiff was Orville R. Buck-Plaintiff was Orville R. Buckner. He contended that Lynch
struck him while they were in a
Portland restaurant May 1, 1950.
Buckner was campaign manager
for Dave Hoover, who was a candidate against Sen. Wayne Morse
(R-Ore.) in the May, 1950, primary election. Lynch was Hoover's
publicity agent ublicity agent.



Big Tin ... at your Market

Jet Battle Adds Over 600 Students Register at OCE To Allied Bag

Of Red Planes

to 14 destroyed or damaged.

for 10 days.

North Koreans had fought bitterly

Russian-built jet planes at 37 American F-86 Sabres in "Mig Alley" just south of the Manchur-

actions Monday. Five Russian-

built Migs were shot down and

two damaged without loss or dam-

age to the Fifth air force planes.

In one scrap the odds were 16

Migs to four U. S. Sabres, but the

Arrive in Fall

Delivery of steel for completion of the new Marion street bridge,

now under construction here, is

expected in early fall, State High-

way Engineer R. H. Baldock an-nounced Monday following his re-

Baldock said a new allocation

program involving steel for high-

way bridges has been adopted 'by Charles E. Wilson o fthe national

production administration. Under

this plan, Baldock said, the NPA

has delegated authority for steel

allocations to the states through

the public roads bureaus, with

each state free to utilize its allo-

cation on any primary highway

Grades Received

First of the grades on draft-

dents were received Monday by

turn from Washington, D.C.

border in two spectacular

OREGON COLEGE OF EDU-CATION, Monmouth, June 18
Over 600 students registered here today in the first day of registering for summer session classes. Others are expected before registration closes Saturday.

Robert Carolyn petitioned

Special workshops for transi-tion students, and emergency cer-tificated teachers drew brisk attention among early registrants.

More than 100 courses from 40 visiting and resident faculty mem The allies, despite signs of red

Officers for Legion Post Nominated

A pooled dispatch reported the east-central thrust. It said the allies seized heights for which Conrad Paulson was nominated commander of American Legion The heights were north of Inje dominating "Punchbowl valley." The reds hurled a total of 56 post 9 at a meeting at the Legion club Monday night. James Garvin was nominated for the first vice commander post, and Charles Stin-nette and Don Dill for second vice

Other nominations included William Troth, adjutant; Carl Wilson, sergeant-at-arms; Robert Hind, finance officer; John Reedy, chaplain. Candidates for executive committee posts are Gene Van-deneynde, Jack Edwards, Steve Foucheck, Merle Travis, Fred Gahlsdorf and Claude McKenney. Five will be elected.

Ray Bassett was nominated for the 3-year trusteeship term; Daryl Donaldson, Marion Lamb and Harry Dorman, two-year; and B. E. Calls Controls

Auto Crash Victim Dies

CORVALLIS, June 18-(AP)-Richard Post, 16, Summit, died in a hospital here yesterday of injuries suffered in a car crash on the Corvallis-Newport highway a half mile west of Philomath. Stanley Phelps, 16, Corvallis

was in critical condition in a hospital with a broken back. Willard Phelps, 20, his brother, and Donald Denue, 22, Summit, were treated for minor injuries.

The car in which Post and the Phelps brothers were riding went out of control, crashed into a bank, then bounced back onto the highway, sheriff's deputy Aaron Dear-Denue's car crashed into the other, he said.

YAKIMA, June 18 -(AP)- Night

000 211 501-10 11 5 The office said the results would Yakima (WIL) 010 024 000-7 8 3 Dempsey, Savage (7) and Torsubmitted by the registrant's nay; Del Sarto, Thompson (6), school, showing his status there. Anderson (8) and Geffe.

Zone Change

Robert Carolyn petitioned the Salem planning and zoning com-mission Monday for a special business zone to permit locating a kindergarten on Mission near Fireplaces

construction of a one-story business building on Center street near 13th. The property owner and Grabenhorst Brothers realtors have asked for regular business zoning without setback requirements, and the commission has recommended a 10-foot setback from the sidewalk. Several city from the sidewalk. Several city council members have indicated their favor for the business zone as originally requested and have called for a reconsideration by the

The zoners tonight also are expected to study a new ordinance bill on sidewalk policy, which pro-poses to relax somewhat the present sidewalk construction require-

AFL Leader 'Phony Setup'

The president of the State Federa-

tion of Labor today called present price controls a "phony setup."

James D. McDonald in his annual address to the state AFL convention also laid into present labor laws and called for the state. dorsing political candidates.

Salem's Only Home-Owned Theatre Ends Today - Open 6:45

MATING

SEASON GENETIERNEY-JOHN LUND

Musical Co-Feature "RHYTHM INN"

"It's the Water"...

Cool water, warm sands; gentle breezes : : : these are

After the plunge, when good friends gather for

lends enjoyment . . . the famous water that makes

refreshing sociability, it's the water that again

Olympia so different-so delicious . . :

Light

"It's the Water"

VISITORS WELCOME OLYMPIA BREWING COMPANY Clympia, Westington, U. S. A.

the things that will make your summer days enjoyable.

YOURS TO ENJOY

At the beach

Details of the proposal are to be presented before the commis-sion at its meeting in city hall at

Also on the commission's agenda is a public hearing on zoning requested by Giles Smith to allow

bor laws and called for the state AFL to drop the practice of en-McDonald described the office of price stabilization as a "phony

setup prepared by academic theorists and big business." "Its every move will discourage



Caps Top Indians VANCOUVER, B. C., June 18-(CP-(Night game): Spokane _____100 011 101 5 8 0 Vancouver 030 510 10x-10 13 4 Conant, Park (4), Palm (7) and Sheets; Brunner and Ritchey.

Lions to Build **Bush's Pasture**

East Salem Lions club members will build fireplaces in Bush's

will build fireplaces in Bush's pasture as a group project this year, it was decided by the club's directors Monday night.

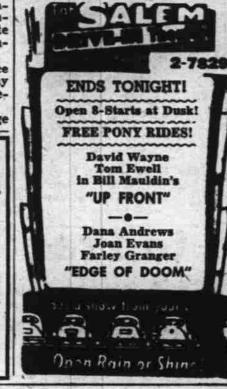
Glenn Bowman will head the fireplace committee, assisted by Virgil Pade and Robert Hawkins. The club will work with city officials in locating the fireplaces for picnic use at the city park.

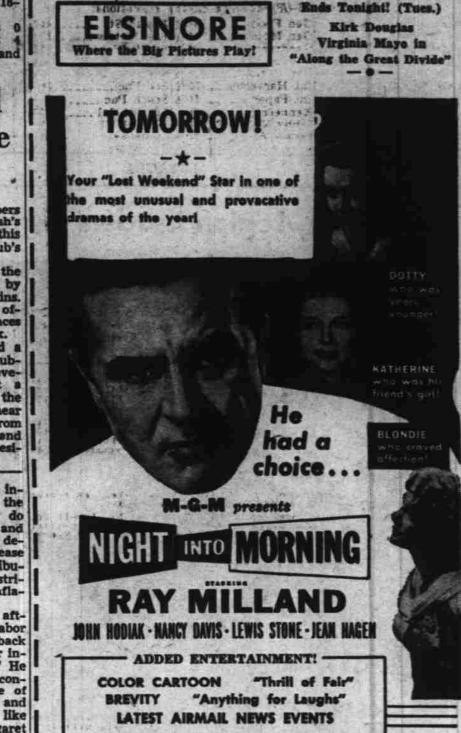
The board meeting followed a picnic attended by some 40 clubmen and their families last evening at Bush's pasture. At a luncheon meeting today in the Senator hotel, the club will hear a Lions convention report from a Lions convention report from John Riches, new president, and Stearns Cushing, retiring presi-

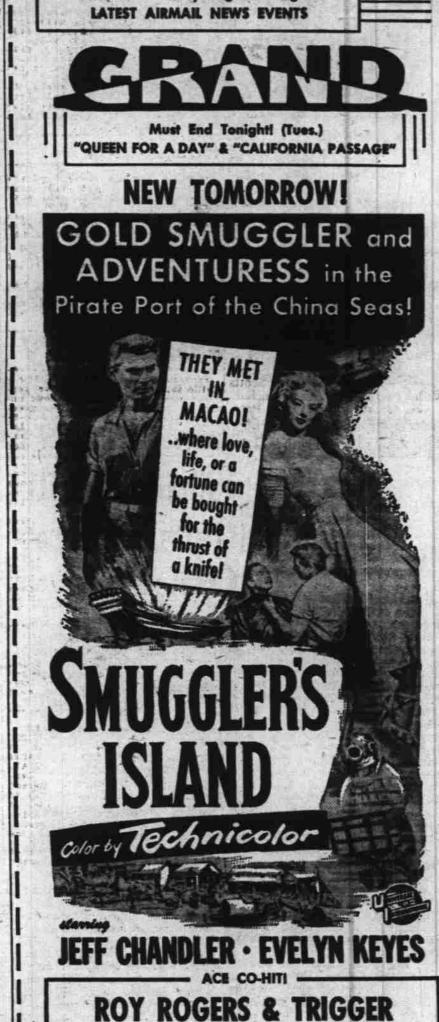
individual initiative and will inure the small business of the country, and certainly will do nothing to increase production and distribution. Congress should de-vise ways and means to increase production and force free distribu-

tion, instead of controlled distri-bution, if we are to whip infla-tion," he said.

Gov. McKay addressed the aft-ernoon session. He called on labor to forget the frills and get back to fundamentals—"faith in our in-stitutions and in each other." He outlined the state's financial con-dition and said that because of probable increases in income and excise tax receipts "it looks like we will balance the budget, cigaret tax or not."







In "Trigger, Jr."

Color Cartoon * Late News

CAPITOL

Another Top-Notch **Double Hit Show!** STARTS TODAY!

RENE DUNNE

Ends Tonight (Tues.) "The Farmers Daughter" Blood On the Moon' TOMORROWI 2 Big Return Hitsl Walt Disney's "DUMBO" Color by Technicolor John Wayne Laraine Day

STAT

"TYCOON"