

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 government.

W. Stuart Symington, RFC administrator, identified the official as Allen E. Freer, 52, of Dallas, former assistant comptroller of the RFC. Freer flatly denied the charges.

Symington told a news conference that Freer accepted a salary from the Texmass Petroleum company of Dallas at least five months before leaving RFC and "carried on business with and for (Texmass) from his office at the RFC."

In Dallas, Freer said the charges are "absolutely untrue." He said he had given RFC several months' notice of his resignation, effective last September 28, and except for drawing accumulated annual leave salary, to which he was entitled, he was no longer associated with RFC when he joined the oil company.

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

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

Texmass obtained approval for a \$15,100,000 loan from the RFC while Freer 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 shot the watchman, then killed himself."

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

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 embassy offices. They were shot sometime between the hours of 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 firearms recently. Ballistic tests were 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 physical evidence at the scene, and scientific evidence that the sergeant 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 been stolen.

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 today.

The British-owned Anglo-Iranian 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 in Tehran tomorrow, it was reported.

But Hossain Maki, right hand man to Iranian premier Mohammed Mossadegh, declared at Abadan that unless Britain met Iran's full demands, "we'll shut off the valve."

Burns Fatal to Lebanon Man

LEBANON, June 18—(AP)—Burns suffered in a fire apparently started by a smoldering cigarette claimed the life of Roy Kelly, about 35, here Saturday night.

Kelly was asleep on a davenport when the fire started, Assistant Fire Chief Vern Reeves reported. Thinking his family was asleep upstairs he raced there, but found they were not home. He ran outside and collapsed, Reeves said. Kelly was taken to a hospital where he died.

Radiomen's Strike Keeps Ships in Port

By The Associated Press
Pickets of the striking CIO American Radio association appeared at Seattle, Tacoma and Portland yesterday, holding up cargo handling and preventing scheduled departure of some vessels.

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

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

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 Talbot.

At Portland, the Jacob Luckenbach on the MormacGulf failed to sail because radio operators walked off the job.

The policy apparently was to picket ships ready to shift to other berths or to sail on regular voyages.

Vessels carrying military cargo were not affected.

NEW YORK, June 18—(AP)—Ship sailing schedules were scuttled today as the first full impact of nationwide maritime stoppages hit American ports.

The CIO maritime union said that 80 ships slated to be on the 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 Bridges (R-NH) protested that six pro-administration witnesses have already been heard against three on the other side of the great controversy.

And veteran democratic Senator Connally of Texas agreed there was "not a very accurate balance" of witnesses.

The 26-man committee voted to ring down the curtain after it hears four more witnesses within the next eight or 10 days—plus rebuttal testimony by MacArthur if he wants to return to the witness chair.

As additional witnesses, the committee decided to call: Patrick J. Hurley, former ambassador to China; Maj. Gen. Emmett O'Donnell, former commander of the U. S. strategic bombing force in the Far East; Maj. Gen. David C. Barr, former commander of the U. S. 7th division in Korea and one-time chief of an American military mission to China; Vice Admiral Oscar Badger, former U. S. naval commander in the Far East.

U.S. Citizenship Gained by 8 in 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 a 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, 3049 Livingston st.; Simone Marie Collette, 1715 Walker st.; Florence Mae Hiker, 1313 Center st.; Kathleen Annie Pokorny, Woodburn route 1, box 213, and Edward Bernard Salstrom, 1662 N. 5th st., all former Canadian 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 \$75 Damages

PORTLAND, June 18—(AP)—A circuit court jury decided today that J. Showalter Lynch will have to pay only \$75 in a \$50,000 personal injury damage suit brought against him.

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.

Jet Battle Adds To Allied Bag Of Red Planes

TOKYO, Tuesday, June 19—(AP)—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.

The allies, despite signs of red preparations 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 to 14 destroyed or damaged.

A pooled dispatch reported the east-central thrust. It said the allies seized heights for which North Koreans had fought bitterly for 10 days.

The heights were north of Inje dominating "Punchbowl valley."

The reds hurled a total of 56 Russian-built jet planes at 37 American F-86 Sabres in "Mig Alley" just south of the Manchurian border in two spectacular actions Monday. Five Russian-built Mig's were shot down and two damaged without loss or damage to the Fifth air force planes. In one scrap the odds were 16 Mig's to four U. S. Sabres, but the speedy F18's escaped without harm.

Steel for New Bridge Due to Arrive in Fall

Delivery of steel for completion of the new Marion street bridge, now under construction here, is expected in early fall, State Highway Engineer R. H. Baldock announced Monday following his return from Washington, D. C.

Baldock said a new allocation program involving steel for highway bridges has been adopted by Charles E. Wilson of the 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 allocation on any primary highway deemed necessary.

College Draft Test Grades Received

First of the grades on draft-deferment tests given college students were received Monday by Marion county selective service office. No results were disclosed.

The office said the results would be considered by the draft board in conjunction with forms to be submitted by the registrant's school, showing his status there.

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 Denu, 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 Dearing said.

Denu's car crashed into the other, he said.

Over 600 Students Register at OCE

Statesman News Service
OREGON COLLEGE OF EDUCATION, 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.

Special workshops for transition students, and emergency-certificated teachers drew brisk attention among early registrants.

More than 100 courses from 40 visiting and resident faculty members.

Officers for Legion Post Nominated

Conrad Paulson was nominated commander of American Legion post 9 at a meeting at the Legion club Monday night. James Garvin was nominated for the first vice commander post, and Charles Stinnette and Don Dill for second vice commander.

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 Vandeneuyde, Jack Edwards, Steve Fouchek, Merle Travis, Fred Gahlsdorf and Claude McKenney. Five will be elected.

Zone Change Requested for Kindergarten

Robert Carolyn petitioned the Salem planning and zoning commission Monday for a special business zone to permit locating a kindergarten on Mission near South Summer street.

Details of the proposal are to be presented before the commission at its meeting in city hall at 7:30 tonight.

Also on the commission's agenda is a public hearing on zoning requested by Giles Smith to allow construction of a one-story business building on Center street near 23th. The property owner and Grabenhoff 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 council members have indicated their favor for the business zone as originally requested and have called for a reconsideration by the zoners.

The zoners tonight also are expected to study a new ordinance bill on sidewalk policy, which proposes to relax somewhat the present sidewalk construction requirements.

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 Fireplaces

East Salem Lions club members 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 Fide 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 John Riches, new president, and Stearns Cushing, retiring president.

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AFL Leader Calls Controls 'Phony Setup'

KLAMATH FALLS, June 18—(AP)—The president of the State Federation 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 AFL to drop the practice of endorsing political candidates.

McDonald described the office of price stabilization as a "phony setup prepared by academic theorists and big business."

"Its every move will discourage individual initiative and will injure the small business of the country, and certainly will do nothing to increase production and distribution. Congress should devise ways and means to increase production and force free distribution, instead of controlled distribution, if we are to whip inflation," he said.

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

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At the beach "It's the Water"...

Cool water, warm sands; gentle breezes... these are the things that will make your summer days enjoyable. After the plunge, when good friends gather for refreshing sociability, it's the water that again lends enjoyment... the famous water that makes Olympia so different—so delicious...

YOURS TO ENJOY

SALEM

2-7829

ENDS TONIGHT!
Open 8-Starts at Dusk!
FREE PONY RIDES!
David Wayne
Tom Ewell
in Bill Mauldin's
"UP FRONT"
Dana Andrews
Joan Evans
Farley Granger
"EDGE OF DOOM"

HOLLYWOOD

Salem's Only Home-Owned Theatre

Ends Today - Open 6:45

THE MATING SEASON
GENETHERNEY-JOHN LUND
A Paramount Picture
Musical Co-Feature
"RHYTHM INN"

YAKIMA

June 18 - (P) - Night game:
San Francisco (PCL)
000 211 501-10 11 5
Yakima (WIL)
010 024 000-7 8 3
Dempsy, Savage (7) and Tornay; Del Sarto, Thompson (6), Anderson (8) and Gefke.

EL SINORE

Where the Big Pictures Play!

Ends Tonight! (Tues.)
Kirk Douglas
Virginia Mayo in
"Along the Great Divide"

TOMORROW!
Your "Lost Weekend" Star in one of the most unusual and provocative dramas of the year!

He had a choice...

M-G-M presents
NIGHT INTO MORNING
RAY MILLAND
JOHN HODIAK - NANCY DAVIS - LEWIS STONE - JEAN HAGEN

ADDED ENTERTAINMENT!
COLOR CARTOON "Thrill of Fear"
BREVITY "Anything for Laughs"
LATEST AIRMAIL NEWS EVENTS

GRAND

Must End Tonight! (Tues.)
"QUEEN FOR A DAY" & "CALIFORNIA PASSAGE"

NEW TOMORROW!

GOLD SMUGGLER and ADVENTURESS in the Pirate Port of the China Seas!

SMUGGLER'S ISLAND

Color by Technicolor

starring
JEFF CHANDLER - EVELYN KEYES
ACE CO-HIT!

ROY ROGERS & TRIGGER

In "Trigger, Jr."
Color Cartoon ★ Late News

CAPITOL

Another Top-Notch Double Hit Show!
STARTS TODAY!

IRENE DUNNE

The Mudlark
Alec Guinness
Adventure Co-Hit!
William Elliott
Adrian Booth in
The Savage Horde
REPUBLIC PICTURE
Also
Color Cartoon ★ News

STATE

Ends Tonight (Tues.)
"The Farmers Daughter"
"Blood On the Moon"

New TOMORROW!
2 Big Return Hit!
Walt Disney's "DUMBO"
Color by Technicolor
and
John Wayne
Laraine Day
in
"TYCOON"
Color by Technicolor