

Giant Airliner Crashes in San Francisco Bay; 6 Lost

The Oregon Statesman

FOUNDED 1854

103 YEAR 12 PAGES

The Oregon Statesman, Salem, Oregon, Tuesday, April 21, 1953

PRICE 5c

No. 25

Store Site Bought By Lipman, Wolfe

By ROBERT E. GANGWARE
City Editor, The Statesman

Lipman, Wolfe and Co., Portland department store, Monday announced the acquisition of downtown Salem property as a store site. The property includes 124 feet of frontage on the west side of Liberty Street, south from the Chemeketa Street corner. This is now occupied by Gevurtz Furniture Co. and Sam's Used Cars, directly across the street from Salem branch, First National Bank.

Details of the Lipman plans for locating in Salem were not disclosed by Harold F. Wendel, president of the mercantile firm. The Gevurtz company was notified formally to vacate its North Liberty Street store by June 30.

Negotiation Pending

Three pieces of property worth an estimated \$300,000 figure in the purchase and lease transactions, some of which is still in the final stages of negotiation, according to Portland realtor Albert Buller Sr., who made the announcement Monday for Wendel.

Altogether the site being acquired by Lipman, Wolfe is nearly one-half city block, as it extends through the entire block of Liberty to Commercial Streets for 67 feet south from Chemeketa. The additional Liberty Street frontage is 166 feet deep, to the north-south alley in that block.

Not Available Soon

There was no confirmation that the Commercial Street end of the site would be used for automobile parking, but Realtor Buller noted that because of lease agreements some of that part of the property would not become available for use for almost a year.

A two-story brick building at the southeast corner of Commercial and Chemeketa Streets is occupied by Capital Hardware and Furniture Co. and Vern's Place, a tavern. Small buildings on the site fronting Chemeketa and east of that building house Crowley Brake & Wheel Shop and Edna's Alterations and Cleaning Shop.

Lipman is acquiring the property from three estates, two managed by Pioneer Trust Co. and the other by U.S. National Bank.

Leases, Option to Buy

The Cross estate property on which the Gevurtz store is located has been purchased by Lipman, according to the Portland realtor. Negotiations are nearing an end for 50-year leases of the other two properties, with option to buy them.

One of these is the 67x166 foot property at Commercial and Chemeketa Streets, which has been under lease from the Klett estate to Sol Schlesinger and others of Salem.

The other property, about the same size at Liberty and Chemeketa, has been held in trust by U.S. National Bank. It is the former A. N. Gilbert property.

The property negotiations have been in progress for years between Buller & Buller, Portland Realty firm representing Lipman's, and Salem property representatives at the trust company and bank.

Lipman is the second Portland department store to announce plans for a Salem location, as Meier & Frank recently disclosed that it would erect a store at High and Center Streets.

The registration order from the Subversive Activities Control Board, which called the party "a subsidiary and puppet of the Soviet Union since its inception in 1919" opened the way for a long, drawn-out court battle.

Party lawyers, who had declared in advance they would fight the ruling, said they will ask the U. S. Court of Appeals here — and the Supreme Court, if necessary — to reverse the board's decision.

The attorneys said they would ask the courts to strike down the McCarran Act on which the ruling was based.

Until the courts decide, enforcement of the registration order is stayed. It may be a year or more

Dial Phone System Takes Over at Silverton



SILVERTON—Lou Hoaland, who had been with the Interurban Telephone Company as an operator for 33 years, is shown here (left picture) making the last "plug in" Saturday night just before the system shifted from central to a dial one. Lowell E. Brown Sr., (right), president of the family-owned company, snips 154 wires to set into motion the \$200,000 dial system. Mrs. F. L. Brown, his mother, whose husband started the business in 1905, and Lowell E. Brown Jr., now an employe of the company, are also pictured. (Farm Photo for The Statesman.) (Story on Page 3.)

Re-Opening of Alumina-Clay Plant Near

Re-opening of the Salem alumina-from-clay plant is likely within the next few days, it appeared Monday.

The plant, built at a cost of \$5,000,000 during World War II, was purchased recently from the General Services Administration, an agency of the federal government, by the Harvey Machine Company of Los Angeles.

Final papers now are being drawn up regarding the contract. A. W. Metzger, plant manager for several years and recently named to that capacity for the new operation by the Harvey firm, said Monday he could not comment on reports of the imminent re-opening.

From other sources, however, it was learned that work might start late this week. The Harvey firm, major processors of alumina, have announced a five-year experimental operation for the Salem plant with a view to perfecting and greatly expanding the process of producing raw alumina from Northwest clay.

Emergency Board Chosen

Members of the State Emergency Board, a legislative committee which makes emergency appropriations when the Legislature isn't in session, were announced Monday by the presiding officers of both houses.

Those appointed to the board are Sens. Howard C. Belton, Canby, and Angus Gibson, Junction City; and Reps. Dave Baum, La Grande; Robert W. Root, Medford, and Francis W. Ziegler, Corvallis.

Those who automatically are members are Senate President Eugene E. Marsh, McMinnville; House Speaker Rudie Wilhelm Jr., Portland; Sen. Dean H. Walker, chairman of the Senate Ways and Means Committee; and Rep. Henry Semon, Klamath Falls, chairman of the House Ways and Means Committee.

Red Cross to Halt Blood Program if Funds Short

The Marion County Red Cross civilian blood program will end July 1 unless the chapter meets its goal of \$51,000.

This was voted Monday night by the chapter board of directors presided over by Elton Thompson, county chairman.

Present fund collections total \$41,000, which means that unless \$10,000 is received by the Red Cross between now and July 1, Marion County residents will have to pay for their blood.

Average cost of a pint of blood is \$35. The board considered the proposal of cutting the blood program for several hours last night before reaching a decision.

Frank Parcher, chapter manager, said the two other biggest expenses on the chapter budget are the Home Service Program and disaster relief.

Federal charter prohibits cutting either of these, so the blood program will have to go unless the deficit is met, he said.

Expected cost of the blood program in the county next year is \$46,000. From July 1, 1952 until March 31, 1953 the Red-Cross in the

Legislature Aims at Adjournment Today

By PAUL W. HARVEY Jr.
Associated Press Writer

Driving toward hoped-for adjournment Tuesday, the Oregon Legislature rid itself Monday of much important legislation.

Both houses cleaned up long calendars, preparing the decks for action Tuesday on the last big obstacle that might delay adjournment.

This measure is the House-passed bill to stop labor unions from picketing to force workers to join unions.

The Senate will vote Tuesday morning on Senate amendments which are far different from the House version, and the issue probably will end up in a Senate-House conference committee.

Most important action Monday was passage by the Senate of \$3,297,000 program for new state institution buildings, and \$3,940,000 for new college buildings. The bill goes to the governor.

Meanwhile, the House rejected 35 to 24 a motion by Dr. F. E. Dammasch, Portland, to recall from the ways and means committee his bill to provide three million dollars to build the proposed mental hospital in Portland immediately.

In the push toward adjournment, the Senate held a three-hour session Monday night to clear through numerous bills coming back from the House, many with minor amendments.

The Senate at the night session passed six House bills liberalizing workmen's compensation benefits.

The Senate defeated, 15 to 14, a House approved bill that would have required the state land board to execute 99-year leases on state-owned tidelands when petitioned for by abutting land owners.

The Senate also approved and sent to the governor a bill making a driver responsible for negligent homicide if the death vehicle had defective equipment.

The house will reconvene at 10 a.m. and the senate an hour earlier Tuesday.

Earlier in the day the Senate sent to the House a resolution for a 17-member interim committee to study the need for revising the state constitution. The House already had voted for Gov. Paul Patterson's idea of having a convention to write a new constitution, but the Senate wouldn't go for the plan.

A bill extending the application deadline for Oregon's World War II veterans bonus to next Dec. 31 was passed by the House and sent to the Governor. The deadline was last December, but it was extended to take care of some veterans who filed late.

To Vote on Amendment The House approved a proposed constitutional amendment to double legislators' \$600 annual pay. The people will vote on it in November, 1954. Earlier in the day, the House rejected, 38 to 21, a Senate bill to double the pay in spite of what the constitution says.

Both houses passed a bill appropriating \$700,000 to construct two buildings near the Capitol to house the Department of Agriculture, the new State Car pool, and the State Purchasing Division.

Measures passed by the Senate and sent to the Governor would establish a midnight to 4 a.m. for children under 18 years old who live in rural areas, and tax house trailers as real property.

Prohibit Touting A legislative interim committee to study property taxes will be created under a resolution passed by the Senate.

Measures passed by the House and sent to the Governor would increase Supreme Court and District Attorney salaries, prohibit race touting, and permit seizure of property in which abortions are performed.

'Flash' Precedes Crash

SAN FRANCISCO (AP)—A large Western Airlines DC6B passenger plane crashed in San Francisco Bay Monday night and the Coast Guard said it picked up four survivors of five passengers and five crew members aboard.

It was believed that 10 persons died in the wreckage.

Witnesses to the crash, at 11:08 p. m., said there was a "big flash" out in the bay. At the same time, the Oakland Airport control tower, which was observing the plane on radar, reported the image of the plane disappeared.

The Coast Guard dispatched two helicopters and six patrol boats to the scene. Two tug boats from Hunters' Point Navy Yard on the San Francisco shore and the Alameda Navy Air Station sent two crash boats from the other shore.

The Oakland control tower placed the crash as 5 1/2 miles out in the bay—just about halfway across the bay on the 12 mile flight from San Francisco.

The rescuers were not immediately able to find the crash wreckage on the dark waters and the Coast Guard sent an amphibian out at midnight to drop flares to aid the helicopters and 11 boats then on the scene.

Passenger Train Wreck Leaves 10 Dead, 100 Hurt

DILLON, S. C. (AP)—The Atlantic Coast Line's Miami-New York passenger train—the Champlain—piled up here Monday night.

A reporter on the scene estimated "at least 10 or 12 are dead." He said more than 100 of the estimated 300 passengers on the train were injured. Part of the train caught fire.

Debris was trapped in the overturned cars and an emergency call went out for firemen to get at the injured in the coaches.

Legislative action was completed by the house on a proposed constitution amendment to require more signatures to get measures on the ballot. The percentage required now is based on the total vote for Supreme Court Justice at the preceding election. The new yardstick would be the vote for Governor.

The House also finished work on resolutions to create interim committees to study public welfare and to decide whether all the state's revenue-collecting agencies should be combined into a state department of revenue.

The House passed a Senate resolution asking the Governor to take all possible steps to preserve the two educational television channels that the Federal Communications Commission has assigned to the state. (Additional legislative news on Page 5.)

Pakistan to Side With U.S.

KARACHI, Pakistan (AP)—Mohammed Ali Jinnah's new prime minister, Monday aligned his government, behind the world leadership of the United States. "We just do not have much in common with the Soviet Union," he said.

In an interview, Ali expressed the hope for "ever closer relations" between Pakistan and the United States.

WASHINGTON (AP)—A State Department official said Monday he expects the department soon will ask Congress to provide "between 300,000 and 500,000 tons of wheat" for Pakistan.

Magnuson Objects to Cuts

WASHINGTON (AP)—Budget bureau revision which slashed more than 25 million dollars from requests for Pacific Northwest power and reclamation projects were attacked by Sen. Magnuson (D-Wash) Monday as "administrative brown-outs."

He referred to slashes totalling more than 30 1/2 million dollars in requests for army engineer civil functions projects as well as a cut of approximately five million in reclamation requests.

Magnuson said he had learned the budget bureau had cut the request by former President Truman for the Columbia Basin development from \$21,900,000 to 18 million. The Kennewick Irrigation Project was cut back from four to three million.

The final witness in the current phase of the inquiry was Gen. J. Lawton Collins, the Army's chief of staff, who said in answer to questions from Mrs. Smith that the Army never was told not to win the Korean War.

At The Legislature

MONDAY Reduced institution and education building program passed by Senate, sent to governor. Bills to liberalize workmen compensation benefits passed by Senate. Appropriation of \$700,000 approved by both houses for two buildings to house state car pool, purchasing division and agriculture department, near the Capitol.

Jubilant Marks Return of Second Group of POW's

By ROBERT B. TUCKMAN
PANMUNJOM (AP)—Happy and wise-cracking, the second 100 sick and wounded Allied war prisoners crossed their merciful milestone of freedom Tuesday in exchange for 500 sullen and dishevelled disabled Communists.

The Allied soldiers were jubilant in sharp contrast to the solemn Allies who came down freedom road in the first exchange Monday.

Sixteen Americans, 12 Britons and three Turks were among the first of two groups to be taken Tuesday to Freedom Village from this Korean neutral zone, where fullscale armistice talks resume on Saturday.

In the second group were 19 Americans. The balance were South Koreans. (Tomorrow's third group will include 100 South Koreans and no Americans.)

The Americans and British waved, smiled and joked as they entered United Nations reception tents for preliminary medical check ups. It was a high-spirited entry compared with the silent solemnity of those who returned to freedom Monday.

They called out and joked with newsmen and correspondents who occupied a wooden stand nearby. PFC. Paul O. Blanton of Broadway, Ky., member of the 25th Division when he was captured, was the first American to leave the ambulances Tuesday. He was followed by PFC. John M. Jankovits, Jr., of Philadelphia.

Even as the second day of the historic swap began, the first plane, bearing returning Allied prisoners released Monday left Seoul for Tokyo on the first leg of the long trip home.

Notification of a \$10,000 cut in Marion County old age assistance funds for the next fiscal year was received Monday by the County Welfare Commission from the state welfare office.

The state said the decrease from the requested \$11,000 to \$1,000 resulted because the state has insufficient funds to match the federal allocations.

Commission members said they did not feel the county's budget had been "padding" but accepted the change in the light of legislative developments, including tightening of the relative responsibility law and opening of the welfare rolls to public scrutiny.

Administrator Kenneth H. Peterson and Commission Chairman Rex Hartley reviewed a recent meeting with other local relief agencies aimed at coordinating services and eliminating duplication of efforts.

New Statesman Plant Host to First Open House Night

Several hundred visitors toured the Statesman's \$335,000 plant at Church and Chemeketa Streets Monday at the first of a five-night series of "formal openings."

They comprised the Statesman's valley correspondents, members of The Statesman's own staff who have been too busy to visit all departments of the news paper, and the contractors and workmen who constructed the building, with their families.

Advertisers are specially invited guests tonight, and on Wednesday, Thursday and Friday nights the plant will be open to everyone.

Many floral pieces and messages of congratulation were received Monday.

Smelt Move Up Sandy River

PORTLAND (AP)—A sizable run of smelt moved up the Sandy River Monday and sheriff's officers prepared for a rush to the river banks Tuesday.

Dipping for the small fish was not permitted Monday. There never previously has been a run in the river later than April 9 and this led to speculation that this year's run would remain large.

This Year	Last Year	Normal
37.00	35.52	24.13

Ike Lops 29 Per Cent from Budget For Dams; Detroit Fund Eliminated

WASHINGTON (AP)—Funds for development of Detroit, Ore., reservoir at the site of a new federal dam were eliminated Monday as the Eisenhower administration sent to Congress a flood control and navigation budget 29 per cent under President Truman's recommendation of last January.

The former president had recommended \$1,275,000 for the Detroit reservoir — the eight mile lake backed up when a flood control project was completed last year on the North Santiam River east of Salem, Ore.

President Dwight Eisenhower listed no funds for this reservoir development. But U.S. Sen. Guy Cordon of Oregon said Monday that unspecified funds which were formerly appropriated for Detroit would permit continuance of the Detroit Dam project without further appropriation at this time.

Willamette River bank protection work was cut from \$400,000 to \$350,000 in the new recommendation to Congress. Amazon Creek flood control project at Eugene was left uncut at \$245,000. McNary Dam project was cut from \$28,185,000 to \$27,700,000. The Dalles Lock and Dam was slashed from \$158,400,000 to \$7,425,000; Lookout Point, cut from \$20,375,000 to \$19 million plus a million dollar surplus from the 1953 appropriation.

Republicans won the last election, but their control of the Congress is so thin that they may easily lose that in 1954. Thus far the swing has gone beyond the conservatism wanted by voters to an alarming degree of reaction.

The way McCarthy has snubbed and humiliated the State Department threatens to impair its prestige at home and abroad.

Last week the House appropriations committee voted to eliminate any further loans or contributions for public housing. Senator Taft, one of the authors of the program, says he will fight to get the authority restored.

Probably he can do it, but the hostile attitude of the powerful House committee isn't such as to encourage Republican votes next year from many who feel the housing program is decidedly worth while.

While President Eisenhower has asked for extension of the law on reciprocal trade treaties the bill introduced goes a long way to destroy its effectiveness and marks concessions to high protectionists.

The drive for turning over offshore lands to states complies with the plank in the GOP platform but it is viewed with misgiving by great many people. The alarming moves to divest the government of its public lands are definitely not in the public interest.

Economy in expenditure is in order; but we in the Northwest (Continued on editorial page, 4)

Reds Told to Register; Court Battle Looms

WASHINGTON (AP)—The U. S. Communist Party was ordered Monday to register as a tool of Moscow, list its members and file a financial accounting. But the party doesn't have to do anything about it just yet.

The registration order from the Subversive Activities Control Board, which called the party "a subsidiary and puppet of the Soviet Union since its inception in 1919" opened the way for a long, drawn-out court battle.

Party lawyers, who had declared in advance they would fight the ruling, said they will ask the U. S. Court of Appeals here — and the Supreme Court, if necessary — to reverse the board's decision.

The attorneys said they would ask the courts to strike down the McCarran Act on which the ruling was based.

Until the courts decide, enforcement of the registration order is stayed. It may be a year or more

Animal Crackers

By WARREN GOODRICH



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