Senate Committee Rescues Shipbuilding Increase in Public Housing Program Bill U.S. Forecast

The committee's action, if approved by the Senate and the House, would more than meet End Restrictions President Eisenhower's request for The Senate committee action authority to build 35,000 units of would have the effect of wiping low - cost housing each year for out the later restrictions and rethe next four years. The number storing the program to its original to be built each year would be left form. to the President. The House had rejected the request.

to try to rule out "windfall profits" for builders of projects financed with FHA - insured loans. Disclosure that such profits had been closure that such profits had been made in the immediate post - war Emperor of years rocked the Federal Housing Administration (FHA) and brought on a two - pronged congressional investigation last month. "Scandal Loophole"

Efforts to eliminate another "scandal loophole" were put off until Wednesday. That involves the alleged fleecing of home owners under the FHA home repair pro-

The committee voted 12-3 to revive the 810,000 - unit public houscided in 1949 should be built over starts this month.

AFL Calls for Federal Aid For Schools

Federation of Labor Tuesday pro- and Tacoma the next day billion dollar fund for states "in at San Francisco.

said such a fund "would be the for the development of the African nism. wisest investment our government nation. could make in the future of our

ance benefits contributions be col- ington state. lected on all individual income up to \$4,200 a year, raising the present annual \$3,600 limit.

Rep. Reed (R-NY), chairman of the House Ways and Means Committee by AFL President George Is Weaver

Meany said continuing the \$3,600 \$10 per month for millions of work- is a profitable hobby for a husky men. fter they have "drined me ers, and up to \$15 for retired cou- coal miner, Gilbert Fernandez, dry, I am led before an audience ples below recommendations of President Eisenhower." said more than one half those covered by the social security system would be affected by benefit reductions if the wage ceiling on assessments is not hiked.

The council noted the Supreme Court's ruling Monday that segregation in the public schools is unconstitutional. It said creation of gress "would prevent noncompli- paper. He uses nearly \$50 winning horses worth \$249,678.35 ance with the Supreme Court's decision by any state which might otherwise plead poverty to excuse 5x7 foot rug or blanket. He has happens to these tickets, but apits failure to provide the necessary facilities for the integration of its State Fair and Los Angeles ally destroyed or misinterpreted public school system.

a period of years. Although that The committee left to its staff WASHINGTON IP - The Senate law has never been changed, its the drafting of language which Banking Committee voted Tuesday operation has been restricted by would "make it absolutely imposto rescue the public housing pro- language written into appropria- sible" for builders to make windgram which the House sought to tions bills in 1952 and 1953. Under fall profits under the FHA prothem, the program will automatic- gram. Such profits were made

Committee chairman Capehart said he and Sens. Bricker R-The committee, starting work on Ohio) and Bennett (R-Utah) vota general housing bill, decided also ed against the amendment, offered by Sen. Maybank (D-SC

Ethiopia to See Northwest

of Ethiopia during his six-week ing program which Congress de tour of the United States which

It will be a hurried glimpse, at best, and confined to appearances in the State of Washington's three in the State of Washington's three largest cities and nearby points of Reserves for

After two days in Washington, D. C., the emperor and his retinue will head for Princeton, N J., and Released GIs New York and then will swing west. He is expected to visit Grand Coulee Dam and Spokane on June 10: Seattle, its aircraft plants and the Bremerton Navy Yard on June CHICAGO P - The American 11, and Mt. Rainier National Park serves, Maj. Gen. William F. Dean,

nnual \$3,600 limit. This proposal was telegraphed to Coal Miner

TRINIDAD, Colo. (AP)-Weavlimit would cut benefits "up to ing rugs, blankets and sweaters city he is first beseiged with news- planned in the near future he said, who learned his avocation in the and told to makeanother speech," Meany depression days of 1931, when he said. he attended a weaving class at the Valdez, Colo., YMCA.

Since then, Fernandez has woven about 1,600 articles nearly all of which he sold. One LOST MONEY rug went for \$150. His work is patterned after the Chimayo Indian style of weaving. His pat-terns are in his mind-never onworth of wool yarn and from in the past eight years. There 250 to 300 hours in completing a is no official explanation of what won high awards at the Colorado parently most are lost, accident-County Fair for his weaving.

actual costs Must Certify Cost

One suggestion is that a builder be required to certify the actual cest of his project, and to return any part of the loan which exceeds a fixed percentage of the cost. The percentage would vary with different types of FHA programs.

Capehart told newsmen the percentage-of-cost limitation was not intended to apply, however, to loans covering older homes the value of which has increased since their construction. It would apply, he said, only where the builder himself got the loan.

Other committee votes Tuesday would extend authority of the Veterans Administration to make direct loans to veterans where such loans are not otherwise available; extend the farm housing program; and designate the Housing and WASHINGTON P - The Pacific Home Finance Agency to handle Northwest will get a three-day loans for community facilities such glimpse at Emperor Haile Selassie as water and sewer line extensions.

Dean Favors

SPOKANE & - Men discharged from military service have a "moral obligation" to join the rewho spent more than 37 months posed the government set up a He will stop next, on June 13, as a prisoner of war in Korea, said Tuesday.

urgent need of help to modernize | The tour will combine many va- | The general, in an address to and democratize their school sys- cation features with an intensive the Spokane Chamber of Comlook at America designed to per- merce, warned against apathy in The union's executive council mit the group to take home ideas the struggle with world Commu

We have a reserve on paper Ethiopia has a potential of a but not a ready reserve," he said. fountry."

large-scale water power develop- adding that fewer than 45,000 of ment, leading to the inclusion of the 900,000 men discharged last urged that federal old age assist- Coulee Dam in the visit to Wash- year have joing reserve or national guard units.

"The need for a reserve is stronger today than ever before," office a spokesman said.

Dean said he still isn't "free" the lease from Communist hands.

He expressed hope the freedom

he wants, including reedom to pay

golf, will come soon.

Racing fans at Monmouth Park have failed to cash in tickets on

ministrator Louis S. Rothschild said Tuesday night the next year may be the largest this country

He based the forecast on plans for government-aided construction ally come to a halt within another where loans exceeded the builder's of four new passenger ships and on proposals of the Military Sea Transportation Services (MSTS) for more tankers and other vessels.

His remarks were prepared for delivery to the spring meeting of the Society of Naval Architects and Marine Engineers, held here. Rothschild said the new adminis-

tration had concluded, in a recent study of maritime subsidy policy, that "there must be positive government encouragement to ship purchasers, plus private initiative in seeking the proper avenues to exert that encouragement." To this end, he said, the govern-

ment has recommended to Congress extension of government insurance of privately held ship mortgages, and authorization to sell some 325 million dollars of ship mortgages now held by the government and to use the money in underwriting new ship construc Still under study are other rec-

ommendations that U.S. shipbuilding be hoisted to 60 ships a year in order to keep sufficient skilled manpower at work in U. S. shipvards for an emergency defense

While these plans are being worked out, he said, "I am optimistic (about the present) to this extent: That I believe we have in hand a potential year of activity that could well mark the largest peacetime shipbuilding program yet experienced."

25 Bonneville **Employes** to Get Discharge

PORTLAND P - Twenty-five more employes have been given discharge notices by the Bonneville Power Administration the agency reported Tuesday. This makes a total of some 625 employes who have been discharged since the Eisenhower Administration took

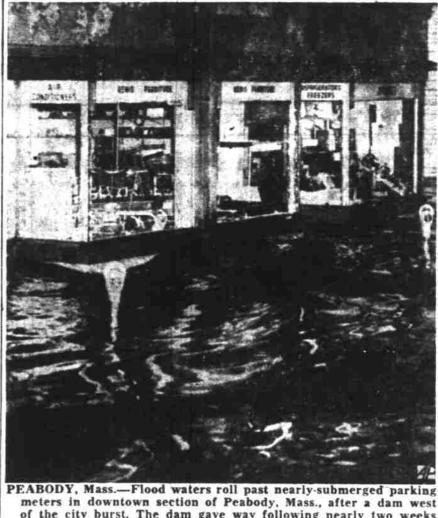
The latest personnel reduction way he would like to be because work loads in land buying activities of the publicity and speech making and power marketing Personnel is because no new dam building He said whenever he visits a is going on and no new starts are

The latest discharges will be further review will be necessary when next year's Bonneville appropriations are made by Congress to determine whether further personnel reductions will be necessary.

Bonneville currently employs 2695 persons.

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meters in downtown section of Peabody, Mass., after a dam west of the city burst. The dam gave way following nearly two weeks of rain topped by a record 512 inch fall earlier in the day. About a mile of the center section of the city of 23,000 was flooded with damage expected to be in the millions. No loss of life was reported. (AP Wirephoto)

Cattlemen Inspection

BAKER A - A committee of the Oregon Cattlemen's Assn. Tuesday recommended that the association go on record as being favor "of the principle of adequate meat inspection.'

The committee report will come before the convention Thursday. A report from the association's the cattlemen to join in initiating a constitutional amendment which

Other committee reports: Called for more market news and information. Scheduled the

annual bull sales for Baker Sept. 27 and Ontario Feb. 11 and 12. Called for appointment of a special committee to study methods of raising money to finance was made because of diminishing a beef consumption advertising

VIENNA (INS)-Austria and Communist-ruled Romania recently signed a trade agreement which effective July 1. Williams said a provides for exchange of goods worth around 14 million dollars.

Solons Clear Cougar Dam

WASHINGTON UP-The measure to authorize partnership construction of the Cougar Dam in Oregon won clearance from the House Rules Committee Tuesday.

The committee authorized an hour's debate on the floor for the bill, but no date has been set for

The measure would authorize the legislative committee called for city of Eugene to pay for power features of the Cougar Dam on the McKenzie River with the would give Eastern Oregon more federal government constructing representation in the state Legis- the main part of the dam as a flood control measure.

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Mill Owners Present Offer

PORTLAND A - Employers Tuesday submitted in writing to CIO Woodworkers their offer to renew the present contract without a wage increase. The union promptly rejected the offer.

The written offer had been asked by the union's negotiators, who contended that until now there had been no written statement of the employers' position.

The union, which has postponed indefinitely a May 3 strike deadline, had asked in earlier negotiations for a 12 1/2-cent hourly wage increase, a third week of paid vacation and a company-financed job analysis program.

Tuesday's meeting was held under the auspices of the Federal Mediation Service. The union will meet with negotiators of the huge Weyerhaeuser Timber Co. Wednesday and on Thursday will hold talks in Klamath Falls with pine industry employers.

Walkout in Honduras **Idles 50,000**

TEGUCIAGALPA, Honduras W Nearly 50,000 persons were reported idle Tuesday in a 19-dayold general strike on the Honduran

The strike for a 50 per cent wage increase began April 30 against the United Fruit Co. and later spread to the Standard Fruit Co., factories, breweries, logging and mining firms. Banana production is the biggest operation in the area normally, and produces most of Honduras' foreign exchange. Food was running short in the

strike zone and disorders were

A purple flame may be produced if lithium salts are sprinkled The Theaters Tonight

"River of No Return" with farilyn Monroe; "Saint's Girl

ELSINORE "Ma and Pa Kettle at Home;"
"Taza, Son of Cochise."

GRAND 'Miss Sadie Thompson' with Rita Hayworth; "Tumbleweed" with Audie Murphy.

HOLLYWOOD "Money From Home" with Dean Martin and Jerry Lewis; "Sky Command" with Dan Duryea.

N. SALEM DRIVE-IN "Paratroopen" with Alan Ladd;

CORN NEEDS

OMAHA (INS)-At least 16 different chemical elements are needed to produce vorn that yields 100 bushels per acre. Besides such basic fertilizers as nitrogen, phosphorus and potash, one acre of corn needs thousands of pounds of oxygen and five million pounds of water.



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