Powell Refuses To Tell Housing Data to Probers

By LEE GARRETT

WASHINGTON (AP) — Clyde L. Powell, tagged with a police record of six arrests in as many years in his 20s, refused Tuesday to tell Senate investigators anything about his handling of 6½ billion dollars of government - insured housing loans.

Powell, now 58, was ousted last April as chief of the Federal Housing Administration's Rental Housing Division amid reports that builders under that program had been allowed to reap millions of dollars in "windfall" profits. Sen. Byrde (D—Va) said it was Powell's heavy losses in gambling which led to disclosure of the situation.

Called before the Senate Banking Committee, Powell refused to answer questions about the arrest record, which reportedly is missing from the FHA files, about his official actions, or about any income he may have received outside his government salary during the last five years.

Offers Opinion

He based his refusal on "my being compelled to be a witness against myself." His attorney, Daniel B. Maher, said Powell "will clear himself before the proper tribunal," and contended a congressional committee has no right to try a man.

But Committee Chairman Capehart (R—Ind) insisted the committee had a right to question Powell.

"He and only he can answer certain questions whose answers the committee ought to have to determine whether there was maladministration in this program, or whether the law was faulty," Capehart said.

Refuses Answers

"We want to ask only about what he did as head of his department, not what he did after hours. But the witness refuses to answer."

Capehart produced Powell's 1934 application for FHA employment, and said it showed the answer "no" to a question whether he had ever been arrested, indicted, or convicted of a misdemeanor or a felony.

An FBI report submitted at the hearing showed a record of eight arrests for Powell, six of them in the period from 1916 to 1922 on charges of larceny, passing worthless checks and embezzlement.

Takes Oath

MUNICH, Germany—Lt. Col Grigori Stepanovich Burlitski, 36-year old former Soviet secret police officer who won asylum with the U. S. intelligence agents over a year ago, takes oath before a U. C. Congressional committee. Burlitski told the committee how he helped betray and deport a million of Stalin's subjects because they wanted independence from the Kremlin. (AP Wirephoto)

Gun Accident Fatal to Wife

PORTLAND (AP) — Mrs. Patricia Ann Lehman was fatally wounded Tuesday night when a gun he was handling accidentally fired, her husband, Donald Lehman, reported.

Mrs. Lehman, 19, was three months pregnant.

The husband, an ex-Marine, told sheriff's deputies that he and his wife were getting ready to leave on a vacation. He said he had borrowed the gun from a friend and was checking to see if it was loaded when it fired.

Mrs. Lehman was shot in the head.

Body of Ship's Steward Found

NEWPORT, Ore. (AP) — A steward who disappeared from the freighter Massmar off the Oregon coast Monday night was found dead in the ocean near the Yaquina Head lighthouse Tuesday.

He was James C. Battle, who was reported to have put on a lifejacket and jumped overboard after the vessel left Newport, where it had loaded lumber. The ship was bound for Aberdeen.

Foreign Aid Funds Pared

WASHINGTON (AP) The House Tuesday cut 102 million dollars from President Eisenhower's "essential" foreign aid program while tentatively approving without further change the major portions of the 3½ billion dollar measure.

The House also approved an amendment calling on the President to withhold special funds from any nation joining the type of Asian non-aggression pact which the British have proposed.

A final vote on the measure was put over until Wednesday.

Stevenson Plans Oregon Vacation

PORTLAND (AP)—Adlai Stevenson, the 1952 Democratic presidential candidate, will arrive here Saturday to begin a week-long vacation.

Party officials declined to say where Stevenson would spend the week.

On July 10 the former Illinois governor will address a Democratic rally at Eugene.

Thief Takes Bark From 50 Trees

Theft of the bark from some 50 chittum trees in the Croisan Creek area south of Salem was reported to city police Tuesday. The bark, used in the manufacture of medicines, was peeled clean and as a result the trees will die, officers said. One tree owner told police he would sign a complaint charging larceny.

Lumber Strike May Extend To Pine Belt

PORTLAND (AP) — The AFL Lumber and Sawmill Workers may decide this week whether to extend the lumber strike to the pine belt of the Pacific Northwest, Kenneth Davis, executive secretary of the union, said Tuesday.

A few mills in the pine belt have been closed by local strikes, but the walkout there has not been general. Davis said a decision may be made in meetings here later this week.

The strike, in which the CIO Woodworkers joined, has hit the fir belt of Oregon and Washington the hardest. The unions, seeking a 12½-cent hourly increase, claim more than 100,000 have gone on strike. Employers say the figure was closer to 55,000.

Whatever the figure, there was growing economic worry. Lumber prices were on the way up, and some communities were hit hard by unemployment.

This was alleviated somewhat by vacation checks. The period of late June and early July is vacation time for most mills, and vacation checks went out to many men, despite the walkout.

1,000 Laid Off

Peter R. Giovine, Washington state director of employment at Olympia, reported Tuesday: "During the past week alone, about 1,000 workers who were laid off as an indirect result of the labor dispute, filed claims... These included persons employed in cafeterias, on log booms, tugs, in trucking and other occupations closely allied with the lumber industry but not involved in the dispute."

The Southern Pacific Railroad which laid off 250 men at Eugene and Portland, reported that carloadings had fallen off only 20 per cent instead of the expected 50 per cent. This was due to small unorganized mills or mills operating under settlements increasing production, a spokesman said.

No Kiln-Dried

A lumber trade journal reported that green dimension lumber is about the only kind being produced in the region, since the larger mills, which offered kiln dried fir lumber, have all been closed by the strike.

Green 3 and better 2x4 studding was selling at $73 to $75 a thousand, up $11 to $14 since the start of the strike.

At Chicago, dealers reported they would face lumber shortages if the strike continued more than a few weeks.

The American Lumberman, a trade journal, reported that Chicago lumber retailers had supplies on hand to meet demands for a period varying from one week to one month.

Feeling Effects

Portland shippers reported they were beginning to feel the effects of the strike. Several ships have cancelled Columbia River calls the past week because of the lack of lumber cargo while at least two vessels have been tied up by their owners to await resumption of mill operations, a spokesman said.

Foreign vessels which normally load some lumber in the Columbia River and Puget Sound areas were reported going to British Columbia for their cargoes.

CHICAGO (AP) — The West Coast lumber strike has resulted in climbing prices in the Chicago market, and dealers say they face shortages if it continues more than a few weeks.

The strike, which began June 21, affects AFL and CIO workers in the Pacific Coast logging and sawmill operations as well as the plywood plants. Production of most building types of lumber is involved. Hardwood output is not involved, Gordon Lawler, editor of the American Lumberman, said most Chicago retailers have 30 day supplies and upward, although some are down to a week's supply of some items.

Rejection of British Bids Stirs Protest

LONDON (AP) — Britain said Tuesday it will make an official complaint over the American government's award of two important American firms in the face of low-power - producing contracts to er British bids.

Both contracts were for power projects in the United States.

Trade Minister D. Heathcoat Amory told the House of Commons Ambassador Sir Roger Makins has been ordered "to make representations at the highest level" expressing British disappointment at a decision taken by the U. S. Defense Department.

The contracts were for two water generators at the Chief Joseph Dam and two fish channel generators at The Dalles Dam. Both dams are on the Columbia River in the Pacific Northwest.

The American Westinghouse Corp., whose estimate for the Chief Joseph Dam project was $2,083,301, got the award. The English Electric Co. bid was $1,842,914.

To See Eisenhower

Makins presumably will see President Eisenhower personally. Heathcoat Amory said he has been told to point out the American decision "does not follow the more liberal policy in trade which appeared to be foreshadowed by the President's message to Congress."

Douglas Jay, who was treasury undersecretary in the former Labor government, raised the issue and declared:

"In view of all that has been said by American leaders about the trade and not aid at competitive British prices, it is not really deplorable that this kind of thing should have happened?"

Heathcoat Amory replied he was personally disappointed.

Under American law the government must accept bids by American firms unless foreign ones are substantially lower.

Point To Savings

British officials said in the case of the two dams acceptance of the British bids would have saved more than $500,000 less customs duty on imported materials.

Heathcoat Amory's statement came in response to Labor Party questioners. In expressing his own "extreme disappointment" at the awards he emphasized the "differential is substantial."

President Eisenhower told Congress on March 30 he was clarifying the application of the "Buy American" act and intended to "limit the price differential favoring domestic producers over foreign bidders to a reasonable percentage."

British exporters and manufacturers have been urged to make their prices competitive for the American market to earn scarce dollars.

At the Theaters Today

ELSINORE

"DIAL M FOR MURDER" with Ray Milland and Robert Cummings

"DUFFY OF SAN QUENTIN" with Louis Hayward

CAPITOL

"DEMETRIUS AND THE GLADIATORS" with Victor Mature, Susan Hayward

ALSO Selected Short Subjects

GRAND

"PHANTOM OF THE RUE MORGUE" with Karl Malden and Patricia Medina

"TAZA SON OF COCHISE" with Rock Hudson

HOLLYWOOD

"THE CAPTAIN'S PARADISE" with Alec Guinness and Yvonne DeCarlo

"THE WILD ONE" with Marlon Brando

NORTH SALEM DRIVE IN

"JOHNNY GUITAR" with Joan Crawford and Sterling Hayden

"THE NAKED JUNGLE" with Charlton Heston and Eleanor Parker

Pegler Seeks To Ease Libel Case Damages

NEW YORK (AP) — Westbrook Pegler launched a last-ditch struggle Tuesday to upset the first libel judgement ever slapped on him in court — a whopping $175,000 award to writer Quentin Reynolds.

Federal Judge Edward Weinfeld agreed to hear on Friday a motion to set aside a jury's assessment of damages. It was Weinfeld himself who branded Pegler a libelist Monday at the end of a seven weeks trial. All the jury had to do was fix damages.

Pegler's lawyers argued that the jury's award was excessive. It was probably the largest ever levied in New York. However, a Chicago jury only last March awarded a $250,000 libel judgment.

Reynolds' lawyer, Louis Nizer, hailed the judgment as complete vindiction for the globe - girdling magazine writer and expressed a hope that it would tone down Pegler's writings.

Legal opinion was that the $175,000 would be tax exempt to Reynolds.

A long - standing feud between the 59 - year - old Pegler and Reynolds erupted into a federal court suit after Pegler in a 1949 column called Reynolds "yellow" and "an absentee war correspondent."

In denying the allegations, Reynolds also claimed Pegler intimated he was pro-Communist.

Barge Service On Willamette Wins Approval

PORTLAND (AP) — The proposal to start barge service on the Willamette River between Oregon City and Eugene won the approval of an Interstate Commerce Commission examiner.

Marion L. Boat, the examiner who conducted a hearing on the proposal several months ago, recommended that the full commission approve the application of Albany Barge Lines, Inc.

The commission usually acts on recommendations in a month, but there sometimes are longer delays in the summer vacation season.

The proposal, opposed by rail and truck lines, was to start a cargo-carrying line between Oregon City and Eugene and intermediate points.

The examiner also recommended approval of the line's proposal to start service between Oregon City and Point Ilwaco on the Columbia River. Service between Oregon City and Portland would be prohibited.

Fall From Scaffold Kills Twin Rocks Man

TILLAMOOK (AP) — Frank Mahn, 63, a resident of Twin Rocks, fell 10 feet from a scaffolding Tuesday and was fatally injured.

He was applying shakes to the side of his home at the time of the mishap.

Jaycees to Buy Equipment for Playground

The Salem Junior Chamber of Commerce's share of the proceeds from the recent appearance of the Clyde Beatty circus has made possible the purchase of four pieces of playground equipment for Bush Park, it was reported at a meeting of the Jaycees Tuesday night at the Marion Hotel.

The organization sponsored the showing of the circus.

Stanley Schofield, one of two Salem Jaycee members to attend the recent national convention at Colorado Springs, Colo., reported that the state of Oregon made a fine showing. Among other things, the state tied with Kansas for first place in one division of the huge parade that highlighted the convention.

Solar Eclipse Scheduled in Midwest Today

MINNEAPOLIS (AP) — Millions of curious from Nebraska to Northern Michigan had their sun glasses and telescopes shined up Tuesday night, hoping an everyday curtain of clouds would not rob them of a once in a lifetime spectacle of the heavens — a total eclipse of the sun.

With weather conditions favorable, a swatch of eerie darkness Wednesday morning will flood a path from Northeastern Nebraska across parts of South Dakota, Iowa, Minnesota, Wisconsin and Michigan.

A partial eclipse will be seen in other parts of the country.

New Yorkers will see 74 per cent of totality, with 88 per cent in Chicago, 85 in Detroit and St. Louis, 74 in Boston, 62 in Savannah, 60 in Jacksonville, and 40 in Miami. Those in the Far West and areas where the eclipse will come before sunrise will miss out completely.

Millions more will be waiting to see the shadow after it hops across Lake Superior and darts through parts of Canada, Greenland, Iceland, Norway, Sweden, Russia, the Middle East, Pakistan and into the desert plains of India.

The shadow of the moon passing between the sun and the earth will spread over a 70 - mile - wide patch from near O'Neill, Neb., to Jodphur, India, covering the 8,000 miles at the rate of about 3,000 miles an hour.

The weather bureau here predicted cloudiness for Wednesday, but optimistically added the cloud layers would probably not develop until around noon west of here. The eclipse will start at 5:07 a. m., central standard time, near O'Neill and reach here at 5:07.36 a. m. Totality will last 76 seconds.

The Chicago weather bureau said conditions for observing will probable be better west of the twin cities of Minneapolis and St. Paul than in Wisconsin and Michigan.

The Office of Naval Research here will launch a large balloon equipped with cameras about two hours before the partially obscured sun rises in an attempt to photograph the eclipse from 17 miles above the earth.

Several planes are scheduled to take off before dawn with scientists and spectators who want to get a closer look at the big show.

"Darkness at the time of totaliy will not be like the darkness of night," said Dr. Willem J. Luyten, head of the University of Minnesota Astronomy Department "There will be an eerie quality that makes one feel all is not right."

About 60 per cent of the world's population live in Asia and Africa.

Purchase of Lot On Capitol Mall Wins Approval

Purchase of another piece of property on the Capitol Mall was approved Tuesday by the State Board of Control here.

The board okehed a price of $16,750 for the lot at the northeast corner of the Center and Summer street intersection, near the Mall's north end. Owner of the property is Mrs. Mabel P. Robertson.

A program by MacLaren School for Boys for providing temporary living quarters in the vocational building was also approved by the board.

Envoy Tells France German Army Nearing

PARIS (AP) — U. S. Ambassador C. Douglas Dillon warned France Tuesday it must decide soon between a controlled rearmament of Germany within the proposed European Defense Community or the creation of an independent national German army.

The ambassador presented his views in a speech to the Anglo-American Press Assn.

Cloudy Skies on Forecast Again

A change of weather is forecast for the Salem area today when mostly cloudy skies and cooler temperatures along with scattered showers are predicted. Some clearing is expected tonight and Thursday.

Anticipated high temperature today is about 75 while the low tonight should drop to near 48. Tuesday's high temperature climbed to 85.

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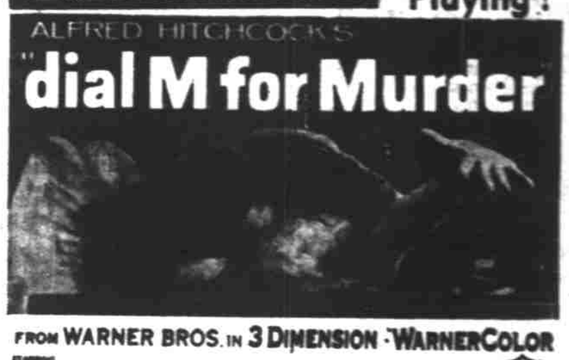

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