

Senate Approves Aid in Developing Of Olivine Mines

By A. ROBERT SMITH
Statesman Correspondent

WASHINGTON—The Senate has approved a change in the tax laws to provide added incentive for commercial development of a mountain of valuable ore in the far northwest corner of the Pacific Northwest.

The ore is called olivine, and the Senate agreed to add it to the list of minerals subject to the tax depletion allowance of 23 per cent.

Chamber to Erect Banners For State Fair

(Story also Page 1)

Approval of a request from Salem Chamber of Commerce to erect State Fair booster banners over and along downtown Salem streets was granted Monday night by Salem City Council.

A chamber spokesman said the banners will go up about Aug. 5 and will come down Sept. 12. They will include over-the-street banners and standards erected on posts.

The council also referred to another meeting a request from B. J. Zobel for a loading zone in front of 519 Court St., where he intends to open a music store about July 19. Zobel said he needed the zone to unload merchandise for the store.

A report from City Manager J. L. Franzen's office referred to a request from Frank Grimm for establishment of a midnight armored car service.

Grimm, who operates Armored Motor Service here, said in a letter to Police Chief Clyde A. Warren, he proposes to hire three policemen for one hour's work seven nights a week making an armored car pickup right after midnight each night in Salem business and activities, such as state fairs.

Grimm's suggestion was referred by the council to the Salem Civil Service Commission to see if city policemen could be used for the extra work.

Body of Heir To Be Taken From Grave

CHICAGO (U) — The body of Montgomery Ward Thorne, 30-year-old heir to a mail order fortune, will be taken from its grave at Roschill Cemetery and examined, Coroner Walter E. McCarron said Monday night.

Mrs. Marion C. Thorne, mother of the youth who died under mysterious circumstances in a \$75-a-month Chicago North Side room June 19, agreed to the exhumation. She said she wants "to get at the truth" of her son's death.

Four medical specialists summoned by McCarron reported Monday that an examination of tissue samples taken from Thorne's body before his burial threw no light on the cause of death. They recommended the exhumation.

The only panel member to comment after the conference said "We may or may not be able to determine, after exhumation," whether Thorne died of natural or unnatural causes. He said decomposition might affect results of further examination.

The consultation of medical experts was called by McCarron after some pathologists who read the coroner's medical report expressed differences of opinion with Dr. Harry Leon, coroner's physician, who said he believed death resulted from narcotics, sleeping drugs and wood alcohol.

Senate Passes Priest Rapids Dam Proposal

(Story also on page one.)

WASHINGTON (AP) — The Senate approved Monday and sent to the house a bill giving local agencies two years to get Federal Power Commission approval for the Priest Rapids Dam on the Columbia River.

The Senate also approved a motion by Sen. Cordon (R-Ore) to strike a provision in the bill which authorized the Bonneville Power Administration to use BPA's continuing fund to buy surplus power from the local agency ultimately gaining approval to construct the dam.

Senate passage of the Priest Rapids bill was hailed as the first major step toward realization of the Eisenhower administration's "power partnership" policy, designed to bring local agencies into larger projects.

Although the Senate removed authority of the Bonneville administrator to use the continuing fund for purchase of surplus power, it did not remove his authority to buy such power.

Congress Gets Check Effects of its action would be to require that the purchases be financed from annual appropriations, thereby giving Congress a check on the manner in which such purchases were made.

Cordon opposed use of the continuing fund on the ground it was created only for emergency expenditures. He said it also would permit long-term contracts under which power might be unavailable to non-federal agencies.

Magnuson and Sen. Jackson (D-Wash) contended the requirement of yearly appropriations by Congress would "seriously hamstring" the constructing agency in the sale of revenue bonds with which to finance the construction.

Without a long-term contract for sale of the surplus energy, they said, investment houses would hesitate to buy the bonds.

Cordon also opposed Magnuson's proposal to write the preference clause into the bill to govern intrastate sale of Priest Rapids power. He said it would "hogtie" the constructing agency which he said should have the right to "sell the power where it can."

The clause would have given co-operators and public agencies a priority in purchasing the power.

Cordon told the Senate 85 per cent of power distribution in Oregon is through private utilities and said he didn't want to see their customers "hamstrung" in their ability to obtain power.

Sen. Morse (Ind-Ore) criticized the bill frequently during the debate, referring to it as a "hodgepodge" and the "beginning of the undermining of the comprehensive development program" for the nation's power resources.

He offered a motion to send the bill back to committee but it was tabled on a voice vote.

Top Alabama Official Held In Vote Fraud

BIRMINGHAM, Ala. (U) — SI Garrett, whose duties as an attorney general make him Alabama's chief law enforcement officer, was arrested here Monday on a vote fraud indictment.

A lunacy proceeding was filed against Garrett a short time after he posted \$1,000 bond on the vote fraud charge.

Garrett, 41-year-old member of a family long prominent in state politics, asserted his complete innocence in a talk with newsmen.

Garrett and two other men were indicted June 30 on charges of altering 600 votes in Jefferson County in the June 1 Democratic primary to nominate Garrett's successor.

Albert L. Patterson of Phenix City, who won the nomination against the opposition of Garrett, was the victim of a gang-style slaying there June 18, a few days before Patterson was scheduled to appear as a witness in the vote fraud inquiry here.

Garrett directed the Phenix City slaying inquiry for a time, but left the state for psychiatric treatment in a Galveston, Tex., hospital on June 23. He came here from Galveston to submit to arrest.

Indicted with Garrett, and arrested June 30, were Circuit Solicitor Arch Ferrell of Phenix City and LaMar Reid, Birmingham, chairman of the county Democratic executive committee.

All three supported Lee Porter of Gadsden, beaten by Patterson by 1,454 votes on a tally which corrected the 600-vote change in Jefferson.

Avalanches In Alps May Add to Floods

VIENNA (AP) — Flood-stricken Central Europe faced a new threat Monday. Avalanches roaring down the snow-capped Alps may cause subsiding rivers to rise again.

Snowslides already were reported in the Austrian Alps. The slides started under sudden summer sun, coming in the wake of a week of winter-like storms.

The threat arose as some thousands of Austria's and Germany's estimated 70,000 homeless returned to the sudden debris of

STAR GAZER

By CLAY R. POLLAN

Your Daily Activity Guide According to the Stars

To develop message for Tuesday, read words corresponding to numbers of your Zodiac birth sign.

TAURUS	1 Stick	31 You	61 Home
2 Morning	32 Brings	62 Mail	
3 Keep	33 Heart	63 You	
4 Keep	34 There's	64 Today	
5 Those	35 And	65 That	
6 A	36 For	66 The	
7 Plans	37 Strong	67 For	
8 Confident	38 Realizing	68 Evening	
9 In	39 You	69 Base	
10 Folks	40 And	70 Or	
11 Smell	41 Support	71 Background	
12 Expect	42 Opportunities	72 Affairs	
13 Gift	43 Remain	73 May	
14 Power	44 A	74 Harmony	
15 Or	45 Compromise	75 Come	
16 Or	46 Evident	76 Some	
17 Is	47 To	77 Present	
18 Lucky	48 Affairs	78 People	
19 Make	49 To	79 Initiative	
20 Make	50 From	80 Initiative	
21 Watch	51 Entertaining	81 New	
22 Friendly	52 Sociability	82 Heart's	
23 Close	53 In	83 Desire	
24 Best	54 The	84 Today	
25 Spending	55 Interesting	85 Desired	
26 Most	56 Outlay	86 Themselves	
27 Break	57 Take	87 Now	
28 Thrills	58 Key	88 Now	
29 Adjustments	59 Key	89 Object	
30 Of	60 Expect	90 Object	

Good Adverse Neutral

Solons Abandon Plan to Cut Off Foreign Aid to France, Italy

WASHINGTON (U) — The Senate Foreign Relations Committee abandoned Monday a plan which might have deprived France and Italy of all foreign aid at the end of the year, and then approved a \$3,100,000,000 foreign aid program for the next 12 months.

Chairman Wiley (R-Wis) announced the committee had voted 8-5 to accept virtually unchanged the House-approved language of a far less drastic provision.

The committee also voted, 7-6, Wiley said, to approve an amendment by Sen. Mansfield (D-Mont.), which would hand over the foreign aid program to the Defense and State Departments on June 30, 1955.

But Sen. H. Alexander Smith (R-N.J.) insisted the amendment is not necessarily a vote to end foreign aid as of that date.

Smith had presided as acting chairman of the committee at most of its work in revising the House bill pending the return to Washington of Wiley Monday.

The amendment affecting France and Italy, two of America's major allies, was softened after it was reported that the administration requested such action.

In the form tentatively approved by the Senate group over the weekend, the amendment would have cut off American military and economic assistance to the two countries on Dec. 31 unless by that time they had joined the European Defense Community or an acceptable substitute defense setup.

The House version, known as the Richards amendment, would deny to France and Italy a share of 1954 or 1955 foreign aid funds if they failed to ratify the EDC pact, but would not bar them from previously appropriated funds.

A good deal of the goods purchased with this money is just entering the foreign aid pipeline.

Wiley said the cuts, about 10 per cent, would affect about 10 per cent of details of cuts which he said would amount to about \$348,200,000. These will bring total authorization down to the \$3,100,000,000 figure.

Wiley said the cuts, about 10 per cent, are in the categories of direct and indirect military aid, and development assistance.

He said the technical cooperation (Point Four) funds, and U. S. contributions to a variety of United Nations activities including Arab refugee camps, were not cut.

But the governor did go into an executive order later on, and Langlie and Lee apparently mused the peace pipe. Gov. James F. Byrne of South Carolina said Langlie did apologize, called Lee his long-time friend and aid he hadn't intended to be rude.

Byrne reported that Lee accepted the apology and aid he knew Langlie had really been trying to cut him off. Other governor aid there were assurance Lee would have plenty of time to talk later on hi income tax idea.

Anyone Need Photo Taken?

The Oregon Statesman had opportunity Monday to hire an additional professional photographer but regretfully turned down the new applicant because of an already complete staff.

The photographer who applied for the job was Fred McCoy, 11-year-old Parrish Junior High student who has a 620 box camera and lives at 620 S. Summer St. Three years amateur experience would seem to qualify him as a professional, he feels.

INMATE MISSING Edwin Passmore, 40, an inmate of the State Hospital, walked away from the institution Monday afternoon, according to a report from state police.

STOCKS AND BONDS (Compiled by the Associated Press)

July 12		July 13		July 14		July 15		July 16	
Net change	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail
Monday	178.7	92.3	62.0	130.9	178.7	92.3	62.0	130.9	178.7
Prev. day	177.1	91.9	62.0	130.9	177.1	91.9	62.0	130.9	177.1
Week ago	178.1	91.1	60.9	128.2	178.1	91.1	60.9	128.2	178.1
Month ago	167.7	90.4	59.9	123.3	167.7	90.4	59.9	123.3	167.7
Year ago	127.7	86.7	52.3	107.3	127.7	86.7	52.3	107.3	127.7

July 12		July 13		July 14		July 15		July 16	
Net change	A. A. Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail	Ind. Rail
Monday	178.7	92.3	62.0	130.9	178.7	92.3	62.0	130.9	178.7
Prev. day	177.1	91.9	62.0	130.9	177.1	91.9	62.0	130.9	177.1
Week ago	178.1	91.1	60.9	128.2	178.1	91.1	60.9	128.2	178.1
Month ago	167.7	90.4	59.9	123.3	167.7	90.4	59.9	123.3	167.7
Year ago	127.7	86.7	52.3	107.3	127.7	86.7	52.3	107.3	127.7

The crowd surged forward shouting phrases both for and against Hague and John V. Kenny, a former mayor and arch political enemy of Hague's. It was Kenny, who unsent Eggers in the heated 1949 city commission elections, ending a 30-year reign of power for Hague.

Police guard of 30 men rushed forward and held back the pushing throng. Gattioni was escorted away.

The crowd quickly quieted down and stood watching as the long line of mourners entered the funeral home.

Lee Complains Income Tax Ban 'Muzzled'

BOLTON LANDING, N.Y. (U) —

Republican Gov. J. Bracken Lee of Utah got in his promised bid to end the federal income tax as he spoke at the annual governors conference Monday.

But he didn't get anywhere with it. And, in fact, he said he was being "muzzled."

Gov. Arthur B. Langlie, Republican of Washington, was presiding when Lee hit into the federal income tax as the mother of "a monster in Washington with tentacles reaching out in every direction."

But he himself has conceded he has little chance of getting this conference to adopt a resolution calling for repeal of the 16th Amendment to the Constitution, which authorized the income tax.

unanimous vote.

Republican Gov. Walter J. Kohler of Wisconsin indicated he was one vote Lee wouldn't get. He said he thought it would be unwise to give "the 48 state legislature veto power over the federal budget."

Langlie banged the gavel on Lee to give other governor a chance to talk.

"I resent your interference," Lee shot back.

And he wondered out loud whether "I am the only one here who is going to be muzzled by the chairman."

Heads Debate Langlie perched debate on what he called an "action program" embracing:

1. Lowering or abolishing a number of federal taxes, such as those federal aid for such program a highway, education, unemployment relief.

2. A freeze on present federal aid — no new program or expansion of old one.

3. State control over program now supported by federal aid, but with the U.S. treasury providing some income tax money for needier state.

4. Adequate payment, rather than tax, for property the U.S. government own in the state.

5. A rehousing of federal-state power.

6. A declaration by the governor that essential service for the people will be maintained.

The Utah governor till was boiling over the interruption of his tax speech when the governor went into an afternoon meeting. He got the floor, aid freedom of speech was involved, that he had been insulted publicly and would have a public apology.

Gov. Dan Thornton of Colorado, the conference chairman, told him he knew of no rule covering the situation. Lee countered with a demand for an immediate closed hauled hi motion down.

Am Muzzled "Does this mean, then, that I am muzzled?" Lee inquired.

"No, Thornton said, 'it only mean there will be no executive action.'"

But the governor did go into an executive order later on, and Langlie and Lee apparently mused the peace pipe. Gov. James F. Byrne of South Carolina said Langlie did apologize, called Lee his long-time friend and aid he hadn't intended to be rude.

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Week ago	178.1	91.1	60.9	128.2	178.1	91.1	60.9	128.2	178.1
Month ago	167.7	90.4	59.9	123.3	167.7	90.4	59.9	123.3	167.7
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Week ago	178.1	91.1	60.9	128.2	178.1	91.1	60.9	128.2	178.1
Month ago	167.7	90.4	59.9	123.3	167.7	90.4	59.9	123.3	167.7
Year ago	127.7	86.7	52.3	107.3	127.7	86.7	52.3	107.3	127.7

PORTLAND (U) — Coarse grains unloaded.

Wheat (bid) to arrive market, basis No. 1 bulk, delivered coast: Soft white 2.19; soft white (excluding Rex) 2.19; white club 2.19.

Hard red winter: Ordinary 2.19. Monday's car receipts: Wheat 354; barley 4; flour 13; corn 16; oats 3; mill feed 13.

New York Stock Markets

By THE ASSOCIATED PRESS

Admiral Corporation	21 1/2	International Harvester	31 1/2
Allis Chemical	92	International Paper	75 1/2
Allis Chalmers	59	Johns Manville	75 1/2
American Airlines	13 1/2	Kaiser Aluminum	38 1/2
American Tel. & Tel.	109 1/2	Kennecott Copper	84 1/2
American Tobacco	56 1/2	Libby, McNeill	9 1/2
Anacosta Copper	40 1/2	Lockheed Aircraft	35
Atchafalpa Railroad	116	Loew's Incorporated	15 1/2
Bethlehem Steel	71 1/2	Long Bell A	67
Boeing Airplane Co.	45	Montgomery Ward	21
Borg Warner	83	New York Central	21
Burroughs Adding Machine	20 1/2	Northern Pacific	55 1/2
California Packing	28 1/2	Pacific American Fish	—
Caterpillar Tractor	63 1/2	Pacific Gas & Electric	125
Chesapeake Corporation	63 1/2	Pacific Tel. & Tel.	3
Chrysler Corporation	95	Packard Motor Car	88 1/2
Cities Service	45 1/2	Pennsylvania R. R.	16 1/2
Consolidated Edison	45 1/2	Pepsi Cola Co.	14 1/2
Consolidated Vultee	48 1/2	Philco Radio	35 1/2
Crown Zellerbach	10 1/2	Radio Corporation	37 1/2
Curtiss Wright	85	Rayonier Incorp	37 1/2
Douglas Aircraft	138 1/2	Rayonier Incorp Pfd	36 1/2
du Pont de Nemours	60 1/2	Republic Steel	59 1/2
Eastman Kodak	11 1/2	Reynolds Metals	77 1/2
Emerson Radio	46 1/2	Richfield Oil	52 1/2
General Electric	71 1/2	Safeway Stores Inc.	97 1/2
General Foods	12 1/2	Scott Paper Co.	66 1/2
General Motors	69 1/2	Sears Roebuck & Co.	43 1/2
Georgia Pac Plywood	40 1/2	Socony-Vacuum Oil	42 1/2
Goodyear Tire	69 1/2	Southern Pacific	61 1/2
Homestake Mining Co.	40 1/2	Standard Oil N.J.	87 1/2
		Standard Oil Calif.	18
		Studebaker Corp.	—
		Sunshine Mining	47 1/2
		Swift & Company	20 1/2
		Transamerica Corp.	20 1/2
		Twentieth Century Fox	45 1/2
		Union Pacific	139 1/2
		United Airlines	24 1/2
		United Aircraft	64
		United Corporation	5 1/2
		United States Plywood	26 1/2
		United States Steel	51 1/2
		Warner Pictures	16 1/2
		Western Union Tel	42 1/2
		Westinghouse Air Brake	24 1/2
		Westinghouse Electric	71 1/2
		Woolworth Company	44

Stock Market Takes Rest

CHICAGO (U) — The hot, dry weather which beat down on the Midwest Monday stirred up aggressive buying of 1954 crop soybean and corn futures on the board of trade. Soybeans ended with gains running to more than 9 cents and corn more than 4 cents.

Wheat closed 1 1/2 - 2 1/2 higher, corn 1 to 4 1/2 higher, oats 1/2 - 1/2 higher, rye 1 1/2 - 2 1/2 higher, soybeans 3 1/2 - 4 1/2 higher and lard 15 to 67 cents a hundred pounds higher.

Salem Market Quotations

(As of late yesterday)	
BUTTERFAT	
Premium	
No. 1	
BUTTER	
Wholesale	
Retail	
EGGS—(Buying)	
(Wholesale prices range from	
to 1 cents over buying price)	
Large AA	
Large A	
Medium AA	
Medium A	
Small	
POULTRY	
Colored Hens	
Leghorns	
Colored Fryers	
Colored Roasters	
Old Roosters	