

# U.S. Senate Holds Marathon Session On A-Law Change

## Eisenhower Plan for New Private Power Plant in TVA Area Passes

WASHINGTON (AP)—The Senate approved President Eisenhower's controversial plan for a new private power plant in the Tennessee Valley area and wearily continued debate well past midnight Wednesday over atomic energy.

## Plan to Reduce Flights Over City Favored

A straight-away takeoff for northbound planes leaving Salem was proposed Wednesday by Salem's Airport Advisory Commission.

City Airport Manager Charles Barclay said this would be a safety measure in that planes taking off would avoid flying over the city as they now do, under a standard pattern calling for planes to turn left on taking off, then angle off to the right.

Request for permission to head straight north, as a new standard for the Salem airport, will be made to the Civil Aeronautics Authority.

Considerable objection was voiced at the City Hall meeting by commission members and airport interests to a proposal that airport "drag" races be held on the airport Oct. 10.

Commissioners said they would study the matter further with leaders of the three auto clubs seeking to sponsor the race.

Discussion was given on capital improvements the airport will likely require within a few years, including a new water system, rebuilt taxiways to handle heavier planes and other repair projects.

A special tax or a bond issue probably would have to be submitted to the voters, the commission indicated, since current airport revenues barely cover normal maintenance.

George Kreitzberg, a commercial operator at the airport, was designated operations supervisor to help with enforcement of airport regulations. Richard Krenz lease for farming airport land was extended to 10 years.

## Camera Can See 30 Miles

FT. MONMOUTH, N.J. (AP)—The Army Signal Corps Wednesday announced development of a long distance "peering" camera which can peer across battle lines up to 30 miles into enemy territory.

The mammoth new camera is built about a 100-inch telephoto lens which was developed in the Signal Corps engineering laboratories here. It permits battle field pictures to be taken when aerial photo flights are not possible due to weather or enemy action.

Using the long F.12.5 infrared lens, the Signal Corps says the camera can record images up to 30 miles away, depending on weather conditions and the height from from which the picture is taken.

Pictures already have been taken at distances up to 25 miles. So penetrating is this camera's eye, that it can pick out details of a jeep or other targets six miles away.

It can be used in close support of military missions, such as watching for enemy activity, locating fortifications, obstacles, supply points, artillery and other military features.

The camera also is adapted to civilian use, such as providing constant vigilance over forest areas to detect and help fight forest fires.

## BASEBALL

- WESTERN INTERNATIONAL  
At Salem 10, Victoria 2  
At Yakima 3, Tri-City 1  
At Lewiston 7, Wenatchee 7 (tie)  
At 10monton 3, Vancouver 6
- COAST LEAGUE  
At Seattle 4-3, San Diego 3-2  
At Portland 4, Sacramento 2  
At San Francisco 2, Hollywood 3  
At Los Angeles 3, Oakland 2
- AMERICAN LEAGUE  
At Washington 6, Baltimore 5  
At Philadelphia 3, Detroit 1  
At New York 3, Chicago 11  
At Boston 7, Cleveland 7 (tie)
- NATIONAL LEAGUE  
At Cincinnati 1, Brooklyn 3  
At Milwaukee 1, Philadelphia 6  
At St. Louis 13, Pittsburgh 12  
At Chicago 1, New York 2

## Animal Crackers



"I called this meeting and I am determined to stay with it until the answer is found," he said. Weyerhaeuser told his CIO employees last week it was abandoning company-wide negotiations in favor of local bargaining.

# The Oregon Statesman

104TH YEAR 2 SECTIONS—16 PAGES The Oregon Statesman, Salem, Oregon, Thursday, July 22, 1954 PRICE 5c No. 117

## Tax Law Overhaul Finished

WASHINGTON (AP)—A House-Senate conference committee agreed late Wednesday on a compromise bill overhauling almost all tax laws. It would reduce revenues an estimated \$1,363,000,000 next year.

Settling one much-debated issue, the committee agreed to permit taxpayers to deduct from their tax bill 4 per cent of their income from corporation dividends.

In addition, the first \$50 of dividends would be excluded from taxes.

Authorities said this compromise between House and Senate versions would cut taxes on dividends about 204 million dollars the first year and 363 million dollars a year later, when it reaches full effect.

The House had approved a much more liberal cut amounting to 240 million dollars the first year and eventually to 860 million dollars a year. The Senate had voted 71-13 to knock out all dividend tax relief except about 46 million dollars provided through the \$50 exclusion.

Dividend Tax Relief  
Republicans had advanced the idea of dividend tax relief with the main argument that it would encourage investments which would result in job-creating business expansion. Democratic critics said it was tax relief for the wealthy.

The big bill, running almost 1,000 pages, does not change major tax rates but provides scores of tax reductions through new or bigger deductions for medical expenses, depreciation of new plants and equipment, child-care expenses of working parents, soil conservation expenses, income of retired persons, dependents who make more than \$600 a year, and other items.

"Cornerstone" of Program  
President Eisenhower has termed the bill the cornerstone of his domestic program. He said it would spur business investment and economic growth and provide more and better jobs, and remove scores of unfair provisions for business individuals.

The compromise bill, settling 553 differences between the House and Senate versions, still must be approved by both the House and Senate.

In view of the substantial tax reduction on stockholders' dividends—and the heavy Senate vote against substantial relief in this field—the compromise faced a possibly stiff fight in the Senate.

Less Opposition  
In the House, where it faced less opposition, leaders said the compromise probably would be called up next week.

In other last-stage action, the conference committee agreed to knock out of the big revision program a House-approved section cutting taxes on income earned by corporations from foreign operations.

This section would have reduced taxes on foreign income by about 147 million dollars a year. The Senate balked at this cut and the conference committee accepted the Senate version.

Exemption Left In  
In another major decision, the conference committee knocked out of the bill a Senate amendment which would have killed the tax exemption granted to charitable or educational foundations, if they made any grants to suspected subversives.

The trading among the conferees on various sections of the bill produced little change in total revenue effect.

As passed by the House, the reductions would have amounted to \$1,370,000,000 the first year. The Senate cut this to \$1,316,000,000 knocking out most of the dividend tax cut and the foreign income tax cut, but adding reductions for child-care expenses of working parents, and other items.

Pickets, from the firm's Oregon Long-Bell's Weed, Calif., plant Tuesday. Those who showed up at Tennant were identified as being from Weed.

Two pickets also appeared at a Dorris, Calif., lumber and moulding plant Wednesday and only about 14 of the 60 to 65 regular employees would cross the line.

It was disclosed Wednesday that a bonus pay settlement—not an unconditional wage increase—ended AFL strikes at the Medford Veneer and Plywood and Medford Door, two affiliated operations.

Loren Haugen, president of Medford Veneer, showed newsmen a signed agreement providing no boost in wage scale but a bonus of 5 cents an hour if 50 per cent or more of the plant's major plywood items sells at \$85 or above a thousand feet, and 7 1/2 cents if it sells at \$90 or above.

Tuesday a union official said settlement had been for straight pay increases.

## Salem Girl to Reign at Dayton



DAYTON, Ore.—This weekend will be Buckaroo time again at Dayton and presiding as queen of the eighth annual rodeo will be Judy Seamster of the Salem Saddle Club, pictured above with her half-Arab filly, Timber Lee. The Buckaroo will open with a Saturday morning parade. (Story on page 8, sec. 1.)

## Rain Relieves Eastern U.S. Heat, Drought

By THE ASSOCIATED PRESS  
Rain and cool weather brought relief from heat and drought in some sections of the nation Wednesday.

The heat wave has claimed 214 lives in the last two weeks.

Cool air from Canada spread southward between the Rockies and the Middle Atlantic states as far south as Kentucky.

Rain fell in heavy amounts in Southern West Virginia, Ohio, Northern Indiana, Northern Illinois and Eastern Iowa. Some areas in these states recorded more than an inch of precipitation.

Local showers were reported in the lower Ohio Valley, and Southern Illinois, but not enough fell to cause much relief.

Searing heat continued in the Southwest, the South, and the Central and Southern Plains states. In Gage, Okla., it was 104. Emporia, Kan., 96, and Fort Smith, Ark., 100.

Cooler spot in the nation was Mullans Pass, Mont., where light rain and snow brought a temperature of 36.

## Berry Pack Tops Estimate

PORTLAND (AP)—Oregon strawberry growers who feared a pack about 25 per cent smaller than a year ago had a pleasant surprise Wednesday.

The federal market news service, in a special strawberry report, said that total berry receipts to date totaled 47 1/2 million pounds.

This, the report explained, meant the year's figure to date was only 13 per cent below a year ago—and additional receipts before the end of the season will bring the crop even more in line with that of last year.

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# U.S. to Refuse to Guarantee Truce In Indochina War

## West Greets Armistice With Relief, Distaste

By DONALD M. MCNICOLL  
LONDON (AP)—Europe and Asia greeted the Indochina armistice Wednesday with mingled relief, distaste and optimism.

Prime Minister Winston Churchill called congratulations to Foreign Secretary Anthony Eden on the "success which has at length rewarded" the negotiators at Geneva. But British papers said the Western allies had small cause for self-congratulations.

France generally praised Premier Mendes-France for getting the settlement, but Sen. Roger Doucet, former cabinet minister, declared: "The West has lost a new battle."

The Moscow radio described the cease-fire as "a new victory of the forces of peace."

Highlights among the other comment:  
West Germany—Chancellor Konrad Adenauer said his government "welcomes an end to the shedding of blood." And German officials privately hoped the French can now reach a quick decision on the European army treaty, which would bring German forces into the Western defense set-up.

Some West German papers said they feared the splitting of Viet Nam amplified rather than lessened the danger of a third world war. Adenauer's Christian Democratic Party said "the burning French problems are in no case solved until the problem of European defense and European cooperation is settled."

Another Milestone  
Formosa—Chinese Nationalist Foreign Minister George Yeh declared the Communists have "achieved another milestone in their plan of world conquest."

Newspapers on Formosa, the island ruled by Chiang Kai-Shek, accused the West of appeasement and said the Communists have won a great diplomatic victory.

Yugoslavia—President Marshal Tito, Communist but anti-Communist, hailed the agreement as "a serious contribution to the cause of peace."

India—Prime Minister Nehru said the settlement is "a great step forward, but it has to be followed by persistent efforts at further settlements to assure future peace." In praising the negotiators' work at Geneva, Nehru mentioned all the participants except the United States.

Japan—The Foreign Office welcomed the agreement "with great pleasure," but predicted Communist China will intensify its "peace offensive" that seeks to woo Japan away from the West, and emphasized that "like the Korean armistice, this is not an everlasting peace."

Ceylon—Premier Sir John Kotelawala described the cease-fire as "one more nail in the coffin of colonialism." He said the agreement was in line with policies approved by the Asian premiers at their Colombo conference.

Pakistan—Prime Minister Mohammed Ali said: "We welcome this agreement in the hope it will lead to peace and stability in the Southeast Asia region." He added significantly: "Now that the Gordian knot has been cut in Indochina, Pakistan hopes that France will take up other problems facing her, like Tunisia, and Morocco, with a view to settling them in the same admirable spirit."

Britain—The first comment came from Lord Beaverbrook's Evening Standard. After noting Communist claims that the pact threatens to split the West, it said Britain "must march in step" with the United States for the defense of free Asia as a whole. However, the Standard added, "now that the guns are silent, the merchants may speak. Where threats fall, trade may succeed in creating a bridge of common interests between East and West."

Continuation of Fighting Reported From Indochina  
HANOI, Indochina (AP)—Gen. Rene Cogy, French Union ground commander in North Viet Nam, said Wednesday night he does not intend to push any fighting between now and the effective hour of the Indochina cease-fire.

"We do not want unnecessary deaths," he said.

Even as Cogy spoke, reports of continued fighting were received here. Rebel guerrillas blew up a freight train only 10 miles east of Hanoi and ripped up several hundred yards of track 25 miles east of here Tuesday night.

French artillery on Hanoi's outskirts boomed at guerrilla bases 15 or 20 miles away. There were occasional spurts of light machine-gun fire and grenade explosions closer in. French-piloted B26 bombers touched off explosions and fires in a string of Vietminh bases around the delta's edges. Light patrol clashes were reported.

Ike Warns Reds Against New Advance  
By JOHN SCALI  
WASHINGTON (AP)—President Eisenhower pledged Wednesday the United States "will not use force" to upset the Indochina armistice but warned the Communists that any new aggression would be "a matter of grave concern."

At a news conference, he declared the partition settlement signed in Geneva "contains features which we do not like."

Because of this, he said, the United States would refuse to join other nations in a joint declaration guaranteeing truce provisions.

In rapid-fire order, the President also made these points:  
1. The United States has asked the Indochina states of Cambodia and Laos to exchange ambassadors with this country in a move to build up their independence from communism.

2. The big lesson which free world nations can learn from the Indochina experience is to adopt a positive plan for banding together so tightly that none will ever give up to communism.  
No Challenge Likely  
3. He believes the Communist world does not want war at this time, except through satellite excursions. The Reds would not deliberately challenge the free world to a war of exhaustion.

4. He knows of no one who advocates that the United States should go to war to unify Korea or Indochina even though these settlements are far from satisfactory.

## Solons Gloomy Over French Truce Terms

WASHINGTON (AP)—The negotiated peace in Indochina was Wednesday, Sen. Knowland (R-Calif.) called it a great Communist victory and Sen. Mansfield (D-Mont.) said it means no more than temporary peace.

The expressions of regret and concern were mixed in with worry over what world Communism might achieve in the months and years ahead.

Sen. Symington (D-Mo.) told the Senate the Russians soon will have enough hydrogen and atomic bombs "to blacken every square mile of our American landscape."

Calling for greater speed in building up America's power to deter, defend and retaliate, Symington also said that "within a few years it will be possible to deliver atomic and hydrogen weapons" by intercontinental missiles, with accuracy at ranges up to 5,000 miles.

Sen. Robertson (D-Va.) offered a prediction that Congress will be asked to supply two or three billion dollars for defense, above and beyond what it already plans to spend.

For Indochina alone, the United States has appropriated about \$2,300,000,000 since 1951 to help France and Viet Nam fight the Communists. Pentagon officials estimated that close to two billion dollars worth of materials have been shipped.

The agreement contains features which we do not like," he said, "but a great deal depends on how they work in practice."

The President stressed that the United States has not been involved in final peace negotiations nor is it "bound by the decisions" adopted to halt the hostilities.

But, he added, "as loyal members of the United Nations," the American government soon will issue a statement at Geneva saying the United States "will not use force to disturb the settlement."

"We also say," he added, "that any renewal of Communist aggression would be viewed by us as a matter of grave concern."

Rescue Ends In Tragedy  
MEDFORD (AP)—A mid-stream rescue ended in tragedy near here Tuesday.

Samuel Charles Wedell, 18, of Ancho, N. M., rescued a girl member of a swimming party in the Applegate River and brought her near shore, state police said. Others in the group brought the girl to shore, but Wedell, apparently exhausted, sank from sight. The body was recovered.

TV Station Plans New Transmitter  
PORTLAND (AP)—Portland Television Station KPTV will erect a new transmitter and increase its power from 17,600 to 204,000 watts by September 1, Russell K. Olsen, station manager, announced here Wednesday.

The new transmitter will enable the station to reach viewers in twice the geographical area now covered, Olsen said. He added KPTV would become the most powerful television station in the Northwest.

CAMPAIGN DAMPENED  
PARIS, Ky. (AP)—Rainfall estimated at 3 1/2 inches fell here Wednesday on the eve of a campaign to raise \$18,000 to employ a cloud-seeding firm to knock some precipitation out of the sky.

## Juveniles Getting Beer at Groceries In Pop Cartons

PORTLAND (UP)—The Oregon Food Merchants Association told its members Wednesday to have grocery clerks carefully check six-can cartons of soda pop purchased by juveniles.

The association said some juveniles have been replacing the two center cans of pop with canned beer before presenting the carton at the checkstand.

ASHLAND (AP)—George Nichols, a beekeeper, saw a sedan slip its brakes on an incline. He jumped from his truck and managed to halt the moving car a moment before it would have smashed into a parked machine.

Nichols then turned towards his truck, but it wasn't where he left it. It, too, had slipped its brakes and was rolling down the street.

While onlookers held their breath, the truck narrowly missed the parked car of Dr. Walter Redford of Ashland.

Nichols sprinted after his truck, caught up and got it, just as it was about to speed through an intersection.

Smudge Pots Used In Klamath Basin  
KLAMATH FALLS (AP)—The calendar and the weather were poles apart in the Klamath Basin Wednesday. The temperature dropped to 27 degrees at Mt. Hebron, just across the line in Northern California, and it was only eight degrees warmer at the Tule Lake field station.

Planes were called to keep the air stirred up, and growers fired up smudge pots. The freeze, first since early spring, caused slight damage to crops.

Fire Chief Charged With False Alarm  
KINGSFORD, Mich. (AP)—Fire Chief E. E. Jossens was hot under the collar Wednesday. He was arrested on a warrant charging him with turning in a false alarm.

Three members of the fire department charged Jossens ordered a fire call placed from the Kingsford High School. The department responded to the call but found no fire.

Jossens, who pleaded innocent, said the alarm was part of a training program to see how fast his firefighters responded.

THE WEATHER

Station	Max.	Min.	Precip.
Salem	62	48	.00
Portland	60	53	.01
Baker	66	42	Trace
Medford	78	48	.00
North Bend	67	52	Trace
Roseburg	75	48	.00
San Francisco	80	49	.00
Chicago	78	68	.00
New York	90	71	.00
Los Angeles	78	67	.00
Willamette River	25	feet	

FORECAST from U.S. weather bureau McNary field, Salem:  
Mostly clear and warmer today, tonight and Friday. Highest today near 80; lowest tonight near 50.  
Temperature at 12:01 a.m. today was 48.

SALEM PRECIPITATION  
Since start of weather year Sept. 1  
This Year Last Year Normal  
43.14 43.29 39.29