

## 15 Chaplains Jump To Safety Moments Before C46 Crash

NEWHALL, Calif. (AP)—Fifteen Civil Air Patrol chaplains and three crewmen of an Air Force C46 transport plane narrowly escaped death Monday by parachuting just before the big craft crashed in flames on the Los Angeles City Prison Farm.

The Air Force reported that the plane with a pilot, co-pilot and engineer and the chaplains crashed shortly after takeoff, trailing smoke and with one engine afire. Lt. Jack Allen, officer in charge of the rehabilitation center for alcoholics, said the pilot, Capt. Thomas E. Willson, from North Highland, Calif., told him he was the last to leave the plane by parachute.

All the chaplains were strictly amateur parachuters. None had ever bailed out of a plane before. They landed over a wide area about two miles west of the prison farm and later gathered in this town.

**Two in Hospital**  
About a half dozen of the Southern California chaplains, who had started out for a two-day meeting of Civil Air Patrol chaplains at Sacramento, were given first aid treatment at Newhall Community Hospital and released. Only two were kept in the hospital. Delbert McLaughlin of Riverside, Calif., was under observation but had no fractures, hospital attendants said. Barriome Alorda of El Centro came down on a railroad track and was being treated for a gashed leg and bruised arm. Lt. Allen said the pilot was dazed and shaken up but apparently not seriously injured. The officer said two or three inmates of the farm, which has 500 prisoners, suffered minor injuries.

"There were about 125 working in the shop area where the plane crashed," said Lt. Allen. "Our men started running when the ship crashed."

The officer said the prisoners immediately started fighting the fire where the wreckage was strewn over a wide area. The plane crashed in the main building area of the prison farm, scraping the side of a garage in the shop area.

Capt. Willson told prison farm officials that his plane developed "vibration" and that he feathered the prop of one engine but it caught fire. Willson said that just west of the prison farm he dumped most of the plane's gasoline load and then an engine fell from the plane.

The C46 hit just a little south of the prison farm compound.

## Applegate to Meet Mother This Morning

SEATTLE (AP)—An Oregon mother and her newsman son, separated for more than a year and a half by an ocean and the bars of a Chinese Communist prison, will be reunited at the Seattle-Tacoma Airport Tuesday.

The mother is Mrs. Frank Applegate, Medford, whose faith in the safe return of her boy never flagged. The son is Richard Applegate, Hong Kong correspondent for the National Broadcasting Co., who was seized by the Chinese Reds 18 months ago along with another newsman and the skipper of their yacht.

Applegate and Donald Dixon, International News Service correspondent, are scheduled to land at the Seattle-Tacoma Airport aboard a Northwest Orient Airlines plane from Tokyo at 8 a. m.

Mrs. Applegate will be there waiting impatiently. She was to fly to Seattle from Medford Monday night.

Applegate, Dixon and Ben Krasner were released by the Chinese last week after being imprisoned since they were taken off the yacht while sailing west of Hong Kong.

## Clear Weather Due to Continue

More good weather is in store for the Salem area today, the McNary Field weather station predicted early Tuesday.

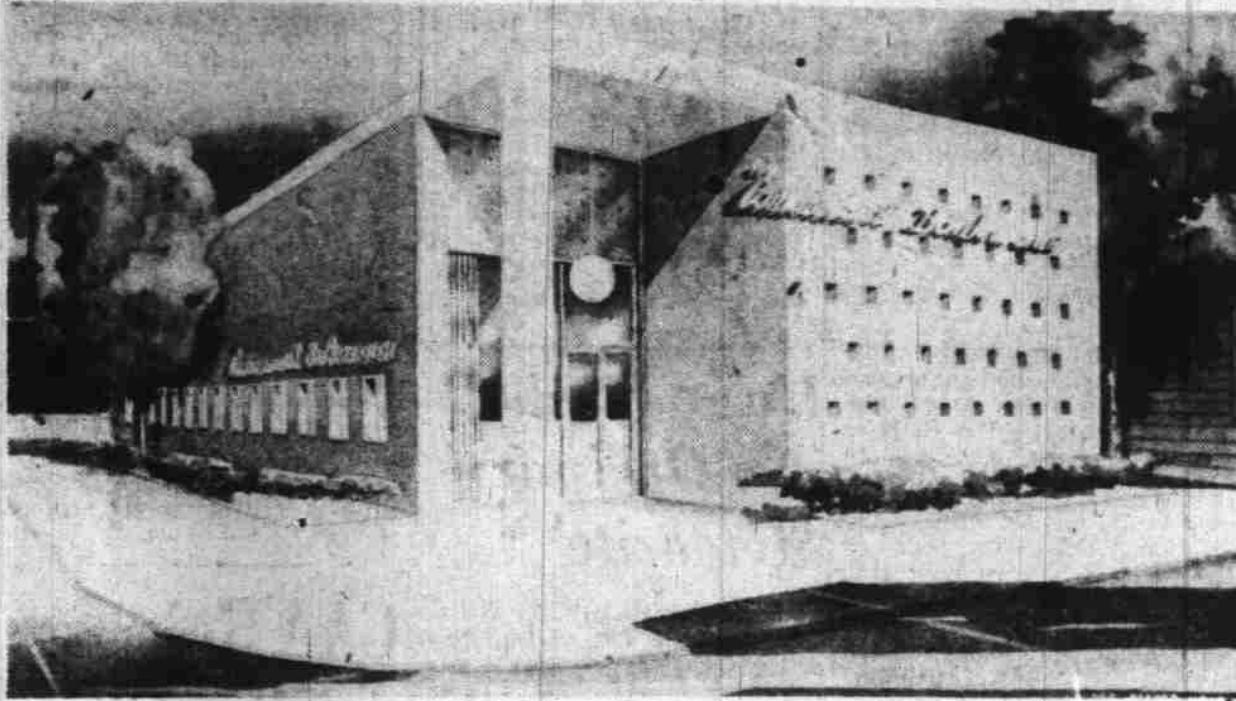
The forecast calls for some morning fog, which will give way to clear skies later in the day. The temperature is expected to rise to about 76 in the afternoon. Yesterday's high was 75.

## Animal Crackers



"Personally, I think Christian Dior is on the right track."

## New Bank Building Planned in Salem



Salem's new Commercial Bank, scheduled for early construction at Chemeketa and Church streets, will probably open for business in temporary quarters across Church Street in December. Plans for the new structure (sketched above) call for a one-story reinforced concrete and brick veneer building with a basement. Bids on the building will be called as soon as working drawings are completed by the Bank Building Corp. of St. Louis. (Picture also on page 5, sec. 1.)

## French Chief Outlines West Army Plan

STRASBOURG, France (AP)—French Premier Pierre Mendes-France Monday outlined plans for a treaty to rearm West Germany in Western defense which he said could be signed and ratified before the year's end.

The plan, which Mendes-France outlined to the European Consultative Assembly here, would tie West Germany in a tight European alliance including Britain before there is any step to add rearmament to NATO's ranks.

The main points of Mendes-France's plan to plug the breach left by the French-killed EDC unified army proposal are:

1. Any pact calling on West Germany and France to unite to provide troops for common defense must include Britain as a full partner. The basis for the new alliance would be the 1948 Brussels pact.
2. Top limits would be fixed on fighting forces of West Germany and other members of the alliance.
3. Construction of arms factories and arms production would be strictly supervised and controlled.
4. The new alliance would be tied closely to NATO. Mendes-France said this would reduce French resistance to West Germany's entry into NATO.
5. Quick drafting of a treaty of only 20 to 25 articles to carry out the plan. The Premier predicted the job could be done within a month, with the member countries ratifying the treaty before the end of this year.

## Spider Safe But Not Foot

VANCOUVER, Wash. (AP)—Mrs. John Cunningham, using a spray bomb, was attempting to kill a spider at her home here.

The spider ran behind her husband's gun rack. She took the rifle out of the rack and aimed the spray bomb. As she pulled the trigger of the bomb with her right hand she accidentally pulled the trigger of the rifle with her left.

A bullet went through her foot. Mrs. Cunningham never found out whether she killed the spider.

## Ike Regime to Continue Ban on Federal-Built Northwest Dams

By A. ROBERT SMITH  
Statesman Correspondent

WASHINGTON (AP)—The Eisenhower administration will continue its "no new starts" policy of deferring new federally-built dams in the Pacific Northwest and elsewhere for at least another year, according to instructions now being passed out to government agencies by the Bureau of the Budget.

The instructions are for the strict guidance of federal agencies that are now drafting their budget requests for the coming fiscal year upon which President Eisenhower will base his annual budget message to Congress in January. As is customary, the Budget Bureau is riding herd on each agency to keep the total federal budget as low as possible.

**Tough Instructions**  
With another budgetary deficit staring the Bureau in the face for last week to hit about \$4.7 billion in the red, tough instructions have been issued which, unless relaxed in the next few months as a result of unforeseen circumstances, will spell approximately the following message for the Pacific Northwest:

1. No request will be made for any big new hydroelectric dams which most observers agree the region will need to get started to avert a severe shortage of power by the 1960s.  
2. No "partnership" dams are re-

## Downtown Bank Plans Temporary Office Site

December opening of the Commercial Bank in temporary quarters of the Griffin Building was announced Monday by officials of Salem's newest banking organization.

Tinkham Gilbert, Salem, vice president of the bank, said 1,200 square feet of space had been leased in the Griffin Building at 320 N. Church St., directly across the street from the site for the bank's proposed new building.

Gilbert said preliminary plans for the new structure had been approved and they were now waiting for working drawings from the Bank Building Corporation of St. Louis before calling for bids.

The one-story and basement building will be constructed of reinforced concrete with brick veneer. It will rise on the northwest corner of Church and Chemeketa where the Shroek Used Car lot is now located.

Plans for use of the temporary quarters will go ahead as soon as approval of A. A. Rogers, state superintendent of banks, and of the Federal Deposit Insurance Corporation in Washington, D.C., is received. Application for use of the quarters has already been submitted, Gilbert said, and approval seems certain.

The bank corporation, formed in April with an initial capital of \$235,000, will be located in the temporary quarters for about six months at which time it is expected the new building will be completed. (Additional details on page 5, Sec. 1.)

## 3 Escape as Plane Crashes

TOLEDO, Wash. (AP)—Three persons escaped serious injury Monday evening when their light plane smashed to the ground on a small farm on the outskirts of this small town 25 miles south of Chehalis.

The three, W. L. Kesinger, 25, of Winlock; L. C. Budd, 59, of College Place, Wash., Kesinger's father-in-law; and David Budd, 10, also of College Place, all walked away from the wrecked plane.

Tony Borte, Toledo town marshal, said the plane, owned and being flown by Kesinger, developed engine trouble while making an approach to the Toledo airport.

## Ouija Board, 'Copter Seek Python Pete

FORT WORTH (AP)—Ouija boards and helicopters went to work Monday in Fort Worth's great snake hunt.

But neither the serial nor the mystic device turned up a hot lead on the whereabouts of Pete, the missing python.

Zoo Curator Lawrence Curtis said "no clues or anything" concerning Pete had been found. But there was no slack in the stream of suggestions as to how the 18-foot, 150-pound serpent might be corralled.

A visitor from Monroe, La., called police at noon and said her daughter had pinpointed the snake's location by Ouija board.

Police searched the neighborhood without finding a trace of Pete.

Pete was discovered AWOL at 9:30 a. m. Saturday morning when keepers went to the zoo's reptile exhibit to inspect their charges.

## Mitchell Tells AFL 'Political Attack Unfair'

LOS ANGELES (AP)—Secretary of Labor James P. Mitchell Monday accused the American Federation of Labor, face to face, of unfair political opposition to the Eisenhower administration.

Mitchell bluntly told delegates to the 10-million-member labor organization's annual convention that the AFL would make more progress in achieving its aims if it were not so unyieldingly critical of the GOP.

President Eisenhower's labor secretary said in remarks prepared for the convention's afternoon session that he agreed with the political philosophy of the AFL's late founder, Samuel Gompers, that labor should "reward its friends and oppose its enemies."

"It is difficult to see, however," Mitchell said, "how that philosophy is being applied when criticism of an administration is all encompassing and takes no note of its intentions or accomplishments."

"In the past 20 months we have accomplished much for the working men and women of America and I can pledge to you that we will continue to do so."

AFL President George Meany, in a keynote address morning opening the convention, seemed to anticipate Mitchell's charge of political bias against the GOP by asserting that the AFL was tied to neither major party.

"We are not going to be the tail to the Democratic kite or the Republican kite," Meany said. "We are going ahead under the Gompers philosophy by any method under which we feel we can make progress."

## Pope's Condition Said Unchanged

CASTEL GANDOLFO, Italy (AP)—The condition of Pope Pius XII, fatigued by a heavy summer schedule of audiences and extraordinary Marian year activities, was described Monday as unchanged.

A Vatican source at the pontiff's summer residence here said despite his fatigue, the Roman Catholic leader had gone about his regular schedule in conducting the affairs of the church.

## Son-in-Law Held in Death

EUGENE (AP)—The son-in-law of a slain woman was arraigned in district court here a few hours after her death Monday, and a preliminary hearing was set for Friday.

Arraigned was Roy Goodrich, 46, a farm implement mechanic. He was charged with slaying Mrs. Mary MacGregor, 62, Seattle, after a quarrel that started when Goodrich returned at 1 a. m. from a visit to Oakridge, 40 miles southeast of here.

# Sen. Sparkman Linked As 'Influence Source' in FHA 'Windfall' Profits

## Grand Jury Probe Ordered In FHA Action

WASHINGTON (AP)—Atty. Gen. Brownell Monday announced that a special grand jury in Washington will investigate possible "bribery and other criminal conduct in the federal housing program."

He also disclosed plans for nationwide action, saying: "Warren Olney III, head of the Department of Justice's Criminal Division, will this week call upon United States attorneys in all other districts of the nation to present to grand juries as soon as material is available full testimony concerning criminal conduct uncovered by the administration's investigation in their districts."

**Unfolding Story**  
Brownell's action was the latest chapter in the unfolding story of how many promoters and others pocketed huge profits on rental housing under the Federal Housing Administration.

Brownell tossed some bricks at the Truman administration in his announcement, saying of the FHA:

"The huge federal agency upon which the nation depended for stimulating home building and housing construction became riddled with corruption under the prior administration."

Also, Brownell specified that in the District of Columbia grand jury proceedings, U. S. Atty. Leo A. Rover would present evidence of the activities of Clyde L. Powell.

"Arrest Record"  
He said Powell, who resigned last April about the time the housing scandals came to light, "rose to assistant commissioner (of the FHA) despite knowledge of the former administration of an arrest record, including conviction for jewel theft."

"While assistant commissioner," Brownell said, "Powell had charge of the rental housing program which operated from 1946 to 1950."

"This program resulted in windfalls to speculators exceeding \$1 million dollars alone in the 295 cases reviewed by the special investigation office set up by the present administration in FHA."

## Resignation of Ballantine Confirmed

PORTLAND (AP)—Duncan S. Ballantine, Reed College's 41-year-old president, is resigning.

"This decision is not hasty," Ballantine said Monday. "It was reached about the first of June, but under the circumstances impending, it was necessary to postpone it."

Although long at odds with the Reed faculty, Ballantine apparently was referring to the House Un-American Activities Committee's hearings in June as the "circumstances."

The committee hearings brought the faculty friction to public attention. As a result of the hearings, Ballantine suspended Lloyd J. Reynolds, an art teacher, but the faculty protested the action by a vote of 38-9. Later, Reynolds and another teacher were reinstated.

The educator also has had differences with student councils, which have supported faculty opposition to Ballantine's efforts to change traditional policies.

Referring to this, Ballantine said: "My reasons (for resigning) are many, but apart from my personal desires I find the resistance to change in the status quo are too deep-seated to bring about those changes which I believe are necessary for the future of the college."

Last Friday, the Reed board of trustees reportedly refused to accept Ballantine's resignation. Monday, however, the educator said the board will meet again in two weeks "to consider the matter further."

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SEN. JOHN SPARKMAN Accused at Senate Hearing

## Ike Back in Denver From Trout Stream

DENVER (AP)—President Eisenhower returned from a Rocky Mountain vacation Monday and immediately tackled a stack of accumulated work — including preparations for a politically significant tour of the Far West this week.

Refreshed after five days of trout fishing and just plain loafing at Fraser, Colo., the President got back to his summer White House desk here shortly after 10 a. m. and started the wheels whirring speedily.

His activities included: 1. More work on four speeches he will make Wednesday, Thursday and Friday in Missoula, Mont.; on the Oregon-Washington border at ceremonies dedicating McNary Dam; and in Los Angeles.

That tour — which includes a major political address in Los Angeles Thursday night — will be against the background all the way of the Republican drive to maintain control of Congress in the November elections.

2. Arrangements to confer here Tuesday on the eve of that tour with Leonard W. Hall, chairman of the Republican National Committee.

3. Scheduling of another conference Tuesday with Harold E. Stassen, chief of the Foreign Operations Administration.

4. Picking Carter L. Burgess of Columbia, S. C., to be assistant secretary of defense for manpower and personnel, and Albert Pratt of Newton, Mass., to be an assistant secretary of the Navy in charge of personnel and reserve forces.

## Owens Auto Agency Sold To Portlander

B. E. (Kelly) Owens announced Monday the sale of his automobile business at 680 N. Liberty Street to Rudy Taggesell, Portland.

The firm called the Kelly Owens Pontiac Co., was formerly known as the Herrall-Owens Co., when Owens was in partnership with Robert J. Herrall. It was established in Salem 20 years ago.

The firm was located at 235 S. Commercial St. until 1948 when it was moved to the present location. Later, Owens acquired all of the business.

Taggesell, the new owner, has taken a lease on the building. He has been in the automobile business for 30 years.

## Salem Police Praised by FBI Chief

The Salem Police Department's manual, which was published in 1952 to aid members of the department in their work, has received a plug from FBI Director J. Edgar Hoover, a letter from a Massachusetts town official indicated Monday.

The department received a request for a copy of the manual from Robert J. M. O'Hare, town manager of Stoughton, Mass., who wrote that he has been making a study of police methods in order to improve his town's police department.

O'Hare said he had written to the FBI to request information on local police methods. A return letter from Hoover, he said, praised the Salem police manual and suggested he write here for a copy.

A copy of the manual was mailed to O'Hare. Police said about 200 copies have been sent since 1952 to police and other public officials who have asked for the book.

## Two Alabama Builders Also Implicated

INDIANAPOLIS (AP)—Witnesses to a Senate committee hearing Monday named U. S. Sen. John L. Sparkman of Alabama as the rumored source of "influence" in Washington for Federal Housing Administration approval of mortgages which gave nearly 2½ million dollars in "windfalls" profits to two Alabama promoters.

The surprise naming of the 1952 Democratic vice presidential nominee came as the Senate Banking Committee headed by Sen. Homer E. Caphart (R-Ind) opened hearings into operations of Marvin L. Warner and Joseph H. Kanter.

The two men, starting in Birmingham, Ala., in 1947, have built and still own 12 apartment house projects—six in Birmingham, three in Cincinnati, two in St. Louis and one in Indianapolis.

William Simon, committee chief counsel, said Warner and Kanter got the FHA to underwrite mortgages totaling \$24,435,532 on the 12 projects. Actual cost of building them, Simon said, was \$21,964,260, yielding a windfall profit of \$2,471,272.

**Name Brought Up**  
Sparkman's name was brought up in testimony by James Swan, former chief evaluator for the Indiana FHA office.

Swan said the late R. Earl Peters, then state FHA administrator, opposed granting FHA sanction to a mortgage of nearly 3½ million dollars sought by Warner and Kanter to build the Essex House apartments here.

"Pressure from Washington" was given by Swan as the reason Peters finally approved the mortgage. Under questioning he then said it was "common knowledge" in the state FHA office that Sparkman was applying the pressure but that "as far as I know it was strictly hearsay."

"Sparkman is in Europe and could not be reached for comment. In Washington his secretary, Ed H. Hyde, said:

"No Influence"  
"We never exerted any pressure or influence in behalf of anyone."

Hyde added, though, that "We know Marvin Warner and Joe Kanter" and that his office had contacted the FHA on occasion to make appointments for them. He said his office had done the same for other Alabama builders.

"That is normal practice in this office and in every other senator's office," Hyde said. "It was strictly a constituent-senator relationship."

Warner, while on the stand himself, denied he had ever discussed the Indianapolis project with Sparkman.

Caphart told a newsman later the committee had no evidence involving Sparkman in the alleged "pressure" beyond the testimony by witnesses at the hearings that Sparkman's name was the one mentioned when the subject was discussed in the state FHA office.

Swan's testimony that Sparkman's name figured in reports of influence for granting one loan was corroborated in part by Patrick J. Smith, Indianapolis attorney who represented an Indianapolis contractor, Leslie Colvin.

Smith said on the stand Warner boasted to him, as a means of removing Smith's objections to one deal, that Sparkman was backing the FHA application.

## U.S. Ready to Halt Entry of China to U.N.

UNITED NATIONS N. Y. (AP)—U. S. sources said Monday night the West is ready with a strong counterattack to meet expected demands of the Soviet bloc and India for admission of Red China to the U. N.

The West drew its lines tighter as the eighth General Assembly wound up in a two-minute session and the delegates prepared for the ninth Assembly, convening at 3 p. m. Tuesday.

Secretary of State John Foster Dulles will be on hand to speak for the United States if and when Soviet Deputy Foreign Minister Andrei Y. Vishinsky brings up the Red Chinese issue, American delegation members said.

Getting ready for this fight, U. S. Delegate Henry Cabot Lodge Jr. charged Sunday that Communist China carried out 39 "warlike acts of piracy" against ships and planes of seven nations.

## Today's Statesman

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