

Collision Sinks Motorship Off Vancouver Isle

\$3,000,000 Cargo Of Salmon Lost

PORT ANGELES — (AP) The richly-laden Alaska motorship Diamond Knot, carrying a \$3,000,000 salmon cargo, collided with a freighter in heavy fog Wednesday and sank 12 hours later as tugs tried to tow it to the Washington coast. The 36 crew members were rescued.

The tug salvage chieftain telephoned shortly after the vessel went down that no casualties occurred on either the Diamond Knot or the freighter Fenn Victory. The southbound Diamond Knot was towed by the 10,681-ton coastal tug Fenn Victory shortly after 1 a. m. (PST) in the Strait of Juan de Fuca, about 3 1/2 miles from the southern tip of Vancouver Island.

The Fenn Victory kept its bow pressed into the stricken vessel until daylight, fearing it would sink. Then, as smaller tugs stood by, the vessels were pulled apart and tugs took them in to the strait. The Diamond Knot's 36 crew members took to the lifeboat during the night as the ship's holds began to fill with water, as a precautionary measure.

Contradictory Reports Given

BUENOS AIRES — (AP) — An official Paraguayan source here said the forces were fleeing from the positions around Asuncion Monday after suffering a sharp defeat at the hands of loyal Paraguayan troops in the latest action of the months old civil war. This informant said the Loyalists were "tenaciously pursuing" retreating insurgents in the region of Piquete Cue and Villavieja of the capital.

Earlier officials announced Tuesday night said a Loyalist column was pressing down on the north, where the rebel forces of Concepcion was captured on July 31—had reached only 12 miles from Asuncion.

Family Joined at Airport

BUENOS AIRES, Argentina—Babels burst into the center of Paraguay's capital of Asuncion Monday and captured the residence of President Higinio Morinigo, sources reported.

Oregon Couple Meets Foster Children, Danish War Waifs

NEW YORK — (AP) — A childless farm couple, who decided to be easier and "much more fun" to become foster parents to donate to fund ap- plicants for refugee children, Wednesday met their new brood of 14 children born in Danish refugee camps after the war.



RACHEL, played by Loretta Young, prepares for a scene on the Fox Hollow location with Chief Cameraman Morrie Gertzman looking over the line of fire. The set is atop a windy hill on the N. B. Toll farm about 15 miles from Eugene. (Wiltshire engraving).

Loretta Plays Part with Ease

Film Men Show Inventive Talents

Between scenes Tuesday afternoon Loretta Young relaxed in a folding deck chair on RKO's location for "Rachel" and studied the view out over N. B. Toll's Fox Hollow homestead toward Fern Ridge Lake in the distance.

"It's beautiful," she said. She and Co-Star Bill Holden were waiting while grips and propmen set up the next shot. Young Gary Gray, the little pioneer boy, scuffed his moccasins in the dust to take off the newness. In most scenes he was barefoot and the gravel was rough on his feet.

Director Norman Foster scrubbed a shirt collar with sandpaper and then called out. "Hey Tony, finish aging this shirt." Someone dropped some beefsteak in a hollow stump near the point in the doorway where the next scene would end.

Dogs Cooperate When Pa brought the kid's new mother during that scene, the hounds would run barking to greet them. The hounds could be depended on to follow the beam sent out by the mellowed steak in the stump. (And they did.)

One of the propmen kicked gravel over still smoking cigar butts in the doorway. . . they'd show.

Miss Young just took it easy while the final touches were made on her make-up and the scene was

Baseball

Table with baseball scores for various teams including Philadelphia, Pittsburgh, and New York.

It is the judgment of the RFC directors that they, as the trustees of public money, should not grant such a reduction. . . except by direction of the Congress. . . the RFC rejection letter to Kaiser said.

Weather

U. S. Weather Bureau Forecast: Eugene and vicinity, mostly clear Wednesday night and Thursday. Oregon, same, except for coastal fog and some early morning cloudiness in western valleys; warmer east portion Wednesday; gentle to moderate west to northwest wind off the coast.

Price Inquiries Program Draws Divided Reaction

British Loan Parley Slated; Fund Dwindles

WASHINGTON — (AP) — Secretary of the Treasury Snyder announced Wednesday that discussions will start Monday with British officials on easing terms of the \$3,750,000,000 American loan to Britain.

Snyder told a news conference that the National Advisory Council of International Monetary Problems, headed by himself, will conduct the discussions on behalf of this country.

The British delegation, which will fly here this week-end, will be headed by Sir Wilfred Eady, special assistant to Chancellor of the Exchequer Hugh Dalton.

Although no formal requests have been made, it is understood that England will ask concessions which would permit her to conserve her dwindling dollar supply by increasing imports from British dominions and decreasing imports from the United States.

The present terms of the loan agreement prohibit this. Snyder emphasized it was his understanding that the conference would be strictly limited to the British loan and would not delve into other aspects of the British "dollar crisis" or European aid.

He declined to comment on prospective changes, saying: "I want to find out what the British delegation has in mind before making any statement."

In two other developments on the international economic scene: 1. Snyder scotched "persistent rumors" in London's financial district that the Treasury planned to increase its price on gold from the present \$35 an ounce to \$50. The secretary said there have been "no plans and no discussions" of such a move.

2. The British withdrew another \$150,000,000 of their U. S. loan, leaving only \$850,000,000 available. At the recent rate of withdrawal Treasury officials estimated the loan would be exhausted in October.

Special Job Set-up Gets 'Cop's Goat'

Chief L. L. Pittenger Wednesday announced a new method for clearing land. It's goats. A nice lady, whose name escapes the police blotter's vigilant eye, came up and offered the department a fair deal.

"You've got a goat," said she. "Well, I've got a brier patch." So she took the heretofore unclaimed billy goat, complete with stake and chain home to clear her berry tangle in the back yard. The chief gives Billy a week to do this job and then fears that the goat may be back in circulation, unless someone makes a rug out of him.

Pan American Delegates Off

WASHINGTON — (AP) — President Truman sent the United States delegation off to the Pan American security meeting in Rio de Janeiro Wednesday with his best wishes for "a successful conference."

"I come to bid you gentlemen farewell and wish you a happy and successful trip and a successful conference," Mr. Truman told the departing delegates at Washington National Airport.

"I am glad to have this delegation—as it has so many times in the past—working for peace in the world, particularly in the western hemisphere."

The United States delegation to the conference, opening in the Brazilian capital Friday, is headed by Secretary of State Marshall and includes Chairman Vandenberg (R-Mich.) of the Senate Foreign Relations Committee and Warren R. Austin, U. S. delegate to the Republican Council and former Republican senator from Vermont.

Mr. Truman himself will fly to the Brazilian capital later this month or early in September to address one of the final sessions of the conference, called to write a formal military defense treaty for this hemisphere.

Marshall Asks Report on Korea Unity Efforts

WASHINGTON — (AP) — Secretary of State Marshall proposed to Russia Wednesday that the United States and the Soviets re-examine by Aug. 21 their stalemated efforts to agree on unified provisional government for all Korea.

In a letter to Soviet Foreign Minister Molotov, Marshall said that the failure of a joint Soviet-American commission to make progress was a "matter of great concern" to the United States.

"The United States government believes that, in justice to the Korean people whose hopes of independence have been so long postponed, there cannot be further delay," Marshall added. "It is the desire therefore of this government that by Aug. 21, 1947, the joint commission report the status of its deliberations so that each government may immediately consider what further steps may usefully be taken to achieve the aims of the Moscow agreement, namely the establishment of an independent, United Korea which can take its place among the United Nations."

The State Department made public Marshall's letter after the secretary had left Washington by air for the Inter-American conference at Rio de Janeiro.

Copies of the letter were sent to China and Great Britain, who also were parties to the 1945 Moscow agreement to grant independence to Korea after a five-year trusteeship period.

Present Deadlock Soviet-American negotiations over Korea's future have been deadlocked since July 2 over the question of what Korean parties and social groups should be consulted in working out plans for the provisional trusteeship regime.

The Russians have been charged with seeking to bar all but Communists and their satellites. Russian officials in turn have challenged groups from the South Korea occupation zone sponsored by the American representative. (Russian troops occupy the northern half of Korea and American troops the southern half.)

Food Prices Index Shows New Increase

NEW YORK — (AP) — Wholesale food prices continued to edge upward, moving to \$6.59 on the Dun & Bradstreet index for Aug. 12, the agency reported Wednesday.

Price advances registered by 16 of the 31 foods in general use pushed the index over the \$6.57 mark of the preceding week, compared to \$5.30 for the corresponding week a year ago.

Prices of corn, rye, oats, wheat, barley, lard, butter, cheese, sugar, cocoa, molasses, beans, peas, potatoes, hogs and lambs increased while flour, beef, ham, bellies, cottonseed oil, raisins and currants decreased.

Shippers Differ In Freight View

The estimate that 200 sawmills in Oregon, Washington and California have been forced to shut down because of the freight car shortage was challenged Wednesday by railroad officials and by H. J. Cox, secretary-manager of the Willamette Valley Lumbermen's Assn.

Nevertheless the situation is tough, said Cox, asserting furthermore that available cars are not always properly distributed. Box cars are given to shippers of green lumber in some cases said Cox, and open cars given to dry lumber shippers, who cannot use them.

Estimates Vary R. T. Titus, secretary of the Pacific Lumber Remanufacturers' Assn. was quoted in Portland as saying that 200 mills have been forced to close. Cox opined that not more than 50 to 75 mills have closed along Southern Pacific lines. Frank P. Nelson, SP traffic manager at Portland, said the 200 figure was a "gross exaggeration," according to Associated Press, and that there are not more than 15 or 20 closed mills on SP lines. Last week Ed Ordway, SP freight agent here, reported that

CIO Contends Clark's Orders Not Sufficient

WASHINGTON — (AP) — The CIO, contending the price situation demands further action than a Justice Department investigation, renewed Wednesday a request that President Truman call an industry-government-labor conference to seek voluntary price reductions.

Emil Rieve, chairman of the labor organization's full employment committee, said in a statement that the CIO welcomes Attorney General Clark's announcement that an investigation of high prices will be made.

"But many prices are set by large monopolies and monopolies do not necessarily fall under the criminal law and Clark's investigation," he added. "For example, in the automobile industry, General Motors controls probably 60 per cent of the business and therefore is able to dictate prices.

"Return Legal Control" "So we feel that steps should be taken at once to carry out our proposal of Tuesday, that President Truman summon a conference of industry, government, and labor representatives to seek voluntary price reductions and that Congress, immediately upon reconvening, should reestablish price and rationing controls."

On Capitol Hill, Rep. Crawford (R-Mich.), a leading congressional critic of OPA, labelled as "expedient" Clark's order for an anti-trust investigation into food, clothing, and shelter prices.

The lawmaker said it appears to him to be aimed at bringing about a depression at home to help foreign nations buy more goods here. He added that Clark ought to turn his attention to the administration's fiscal policies which, Crawford contended, are the cause of high prices.

Small Business OK The National Federation of Small Business announced meanwhile that Clark's program is in line with what that organization has been urging since last spring. George J. Burger, the federation's Washington representative, told newsmen member reports indicate particular concern over "growing economic concentration in distribution businesses." The Justice Department itself was silent on what leads, if any, it may have uncovered to prompt Clark's promise of jail terms for anyone found guilty of "conspiracies" to force prices up and keep them there. New York spokesmen for the food, clothing and housing industry groups said their records are clear. Solons Hold Mum Most Congress members still in Washington adopted an attitude of waiting to see what their own committees find out during a series of cross country studies this summer and fall. Clark's announcement Tuesday said he was handing over to the Justice Department's anti-trust division the task of finding out whether there are any conspiracies to "maintain or to increase present prices" in the food, clothing and housing fields.

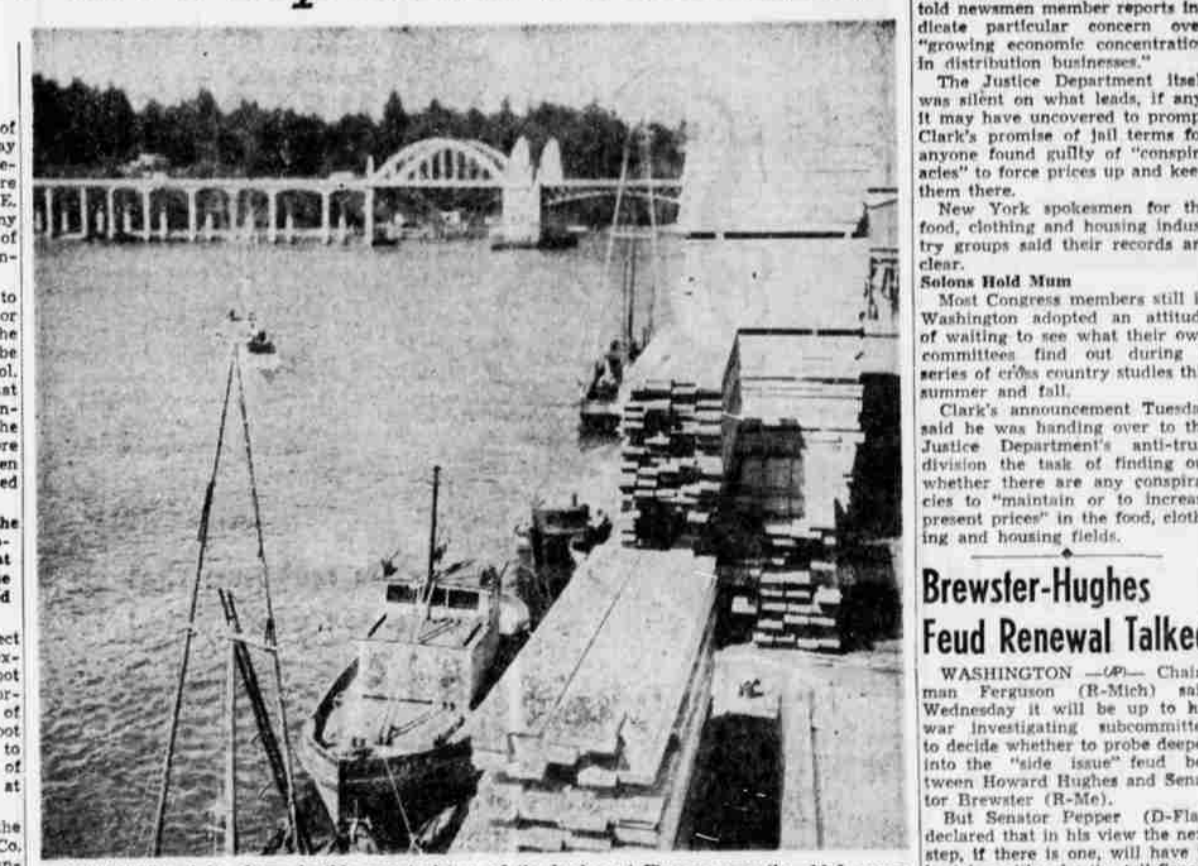
Siuslaw Port Proposals Presented

Coastal Harbor Clearing Sought

BY DICK MONTAGUE FLORENCE—Representatives of Western Lane Industries Tuesday presented their case for improvements of the Siuslaw harbor here at a meeting attended by Col. O. E. Walsh, Portland district Army engineer, and other members of the government's Oregon engineering staff.

While the hearing was only to review evidence for the harbor boosters' contentions that the present six-foot channel should be both deepened and widened, Col. Walsh commented unofficially that the volume of business now conducted in the area made the boosters' case appear much more favorable now than in 1939 when a similar discussion was followed by rejection of the proposal.

Col. Walsh stated that the government estimate on the project in 1940 figured the cost at \$2,500,000, but that an increase of 40 per cent should be allowed for at the present time. He explained that the project would involve extending the existing jetties and the 20-foot channel from the ocean to Florence would cover a distance of three miles. A proposed 16-foot foot channel from the ocean to Florence would cover a distance of 1000 feet. A turning basin at Mapleton also was proposed.



BUSINESS activity shown in this recent picture of the harbor at Florence was the chief reason presented by harbor boosters for improving the Siuslaw channel. (Horn's Studio photo, Wiltshire engraving).

Officials of the Columbia River Packers Assn., operating a small cannery at Florence, asserted that they could double their production if the harbor were improved. Their principal fishing ground is off Hecla Head, they explained, and it is now necessary for them to station craft at relatively distant points, losing both time and money. Others Support Tom Clifton, Western Lane Chamber of Commerce, and a number of local sportsmen also backed the plan. To hold back the sand dunes which creep up on the river, Siuslaw Soil Conservation District R. E. Hickson, a civilian from the Portland Army staff, and R. S. Cole, resident engineer at Empire

Brewster-Hughes Feud Renewal Talked

WASHINGTON — (AP) — Chairman Ferguson (R-Mich.) said Wednesday it will be up to his war investigating subcommittee to decide whether to probe deeper into the "side issue" feud between Howard Hughes and Senator Brewster (R-Me.).

But Senator Pepper (D-Fla.) declared that in his view the next step, if there is one, will have to be taken either by the full Senate or the Justice Department. The two ranking members of the subcommittee outlined their opinions in separate interviews. Ferguson told a reporter he believes the next session of Congress may consider establishing a permanent Senate-House committee to conduct investigations. Eugene Man Said Killed on Highway Lincoln Barrett, 26, Eugene, was killed Tuesday when he lost control of the jeep he was driving on a boulevard in Queens County, New York, a Portland Oregonian story said Wednesday. The dispatch said Barrett was thrown from the jeep and died almost instantly. Names of local relatives had not been obtained Wednesday.