

Hall Refuses to Assign Neuner To Pinball Case

Writes Grand Jury That Prosecution Duty Of District Attorney

Governor John H. Hall informed the Marion county grand jury that he would not assign the attorney general to prosecute violations of the gambling laws in this county, informing the body that it was their duty to indict any law violators after which it becomes the duty of the district attorney to carry on the prosecution.

Hall's letter to the grand jury was in reply to a communication sent to the governor on December 10, 1947 in which it was stated that "it is the opinion of this grand jury that the operation of pinball machines as now conducted throughout this county is in direct violation of the laws of Oregon."

Up to Hayden

The letter referred to the "free play" feature of slot machines and suggested to the governor that the legality of machines where such play was in progress should be settled by the supreme court of the state.

Governor Hall pointed to Section 93-903 O.C.L.A. providing that the district attorney is the public prosecutor and to the next section in the code providing that the district attorney "conduct, on behalf of the state, all prosecutions of offenses" within the county.

"From the foregoing," the governor's letter read, "it must clearly appear that the duty and responsibility of enforcing the criminal laws of the state rest primarily upon the shoulders of the district attorney in each county, assisted by the police."

State Law Is Quoted

The governor then quoted state law requiring the district attorney to attend upon and advise the grand jury when required and on this point said:

"There is nothing in the report of the Marion county grand jury indicating in any way that the district attorney of Marion county is not available for such advice as it might need, or that he has failed to co-operate in any manner."

(Concluded on Page 13, Column 3)

Russians Seek To Grab Berlin

Berlin, Jan. 13 (U.P.)—Reliable sources said today that some American authorities are prepared to demand the return of Thuringia and Saxony, captured by U. S. troops but now in the Soviet zone, if Russia breaks the Yalta agreement by trying to force the Anglo-Americans out of Berlin.

Russia hinted at this in the Soviet army newspaper by saying the Russians considered the British and Americans no longer have any business in Berlin.

Berlin is an immense prize. How the Russians will go about getting it probably will be made known at the next meeting of the allied control council on January 20.

Marshal Vasily D. Sokolovsky, the Soviet commander, is expected to return from Moscow with his government's instructions on the issue shortly before the council meets.

It is believed the Russians, if successful in forcing the western powers out of Berlin, could set up a government of their own here and proclaim it to be the government of all Germany.

All Germans, no matter in what zone they live, consider Berlin to be the capital of Germany. Even Anglo-American officials admit that no other government seat, no matter where it was established, would have the drawing power and prestige of a Berlin administration.

Josephus Daniels Continues in Coma

Raleigh, N. C., Jan. 13 (U.P.)—Josephus Daniels, last survivor of President Woodrow Wilson's World War I cabinet, continued in a coma today induced by pneumonia and other complications.

Dr. Hubert Haywood said the 85-year-old publisher of the Raleigh News and Observer, who served as secretary of the navy in the Wilson cabinet, has been failing steadily and that there is no reason to expect him to rally.

Daniels has been critically ill for more than a week.

Army-Navy Funds OKed

Washington, Jan. 13 (U.P.)—The senate has passed bills authorizing appropriations totaling \$354,771,160 for army and navy public improvements in the United States and overseas.

The measures were approved yesterday by unanimous voice vote, without debate, and sent to the house.

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U. S. Army Barge With 9 Aboard Sinks in Alaska

Seattle, Jan. 13 (AP)—A self-propelled army barge, believed to have nine crew members aboard, sent its own urgent distress call today after apparently hitting a small island south of the Alaska peninsula while en route to the rescue of crewmen of another grounded ship.

District coast guard headquarters announced the 86-foot BSP 1927 (barge, self-propelled) had radioed that it was sinking about 40 miles southwest of Cold bay, which is near the end of the Alaska peninsula.

Cutter Sent to Aid

The message, received in Ketchikan and relayed here, said it was on Pin point, in the Deer Island vicinity. The coast guard reported that the cutter Cedar had been diverted to the barge's aid from its rescue mission to the Aleutian Mail, which grounded early yesterday on the southwest tip of Unimak island, the first in the Aleutian chain.

Eleven crew members of the Aleutian Mail were reported in "no immediate danger."

The self-propelled barge, one of the ugly ducklings of the military fleet, was en route to assist in picking up the crewmen of the Aleutian Mail when it ran into trouble.

Seas Reported Calm

The coast guard reported previously that the barge had been expected to reach the Aleutian Mail's side before dawn.

Weather and seas were reported calm in the Aleutian island area.

The army rescue squadron at Fort Randall ordered a plane dispatched to drop a rubber lifeboat to the barge's crew members, if needed, and, weather permitting, to circle the BSP until the cutter Cedar reaches the scene.

The Cedar had been scheduled to reach the Aleutian Mail before noon today and it was not expected to take much longer for it to reach the barge's position.

The Seattle port of embarkation said the barge is manned by a civilian crew, believed to number nine. Its home port is Adak, in the Aleutians, and it was en route to Cold bay when it turned to aid the Aleutian Mail.

Tourist Ships Plans Shelled

Washington, Jan. 13 (AP)—A \$150,000,000-a-year, four-year passenger ship building program recommended recently by a presidential advisory committee appeared today to have been shelved by the administration.

President Truman asked congress for only \$59,500,000 for new ship construction, including reconstruction and improvement, during the 12 months beginning next July 1, and said only \$24,180,000 of that actually would be spent.

The other \$15,320,000, he said, would be obligated in contracts for work to be done after June 30, 1949.

An administration official who was asked whether this meant pigeon-holing the advisory committee's call for an immediate start toward building 46 passenger ships in a four year period said "We just decided to ask (congress) for what we thought we could get."

All 46 Survivors Rescued From Flaming Ship at Sea

New York, Jan. 13 (AP)—All 46 survivors who abandoned the army's flame-swept funeral transport Joseph V. Connolly were safe today aboard two other vessels after a dramatic rescue from lifeboats in which they had tossed for 11 hours in raging north Atlantic seas.

Rescue of the 46—the Connolly's 45 crewmen and its lone passenger—was completed last night after an all-day air and sea search for the survivors who abandoned their blazing ship in a northeast gale some 900 miles east of New York.

The half-frozen men were picked up by the army transport Gen. R. E. Callan and the Black Diamond line's Union Victory which sped to the scene after intercepting the stricken Connolly's calls for help earlier in the day. Long-range air force planes from Kindley field in Bermuda aided in the rescue.

The two ships reported all hands safely aboard with "minor burns and injuries among survivors."

The Gen. Callan, still standing by the Connolly late last night, messaged that the distressed ves-

Graham Admits Speculations in Commodities

Washington, Jan. 13 (AP)—Brig. Gen. Wallace H. Graham testified today that he got out of the wheat market—except for one small trade—after President Truman criticized commodities speculators last October. But he said he continued to deal in cotton until December 18.

Under oath before the senate appropriations committee, the president's personal physician said, too, that he assumed personal responsibility for the trades. Previously, he had said publicly in a statement that his broker made commodity purchases for him without his knowledge.

Closed Out Dec. 18

Graham told the committee that all of his dealings on the commodities exchanges, including cotton and cottonseed oil, were closed out December 18.

Graham, who previously said he had "lost his socks" in exchange trading, presented a statement showing that he had made a profit of \$6,165.26 in commodities. But he said he lost \$11,012.86 in stock trading and so had a net loss of \$4,847.61.

Denying he had any "inside" information on government commodity purchasing, Graham told the committee:

No Official Tips

"Nobody with whom I worked in the government and no other government official or employee ever gave me any information about commodities and if they had, I doubt that I would have understood it very well. I am a surgeon, but I am not a financier or economist and never pretended to be one."

Graham's original public story was that after Mr. Truman's blast at commodity "gamblers" he asked his broker if he had any commodities and immediately ordered them sold.

In a prepared statement he read to the committee today, Graham said that he "assumed that the criticism the president made was of the buying of wheat or grain and I thought of that as commodities."

Jewish Raids on Arabs Continue

Jerusalem, Jan. 13 (AP)—Jewish demolition squads attacked Arab sniping posts on the outskirts of Jerusalem today and a Jewish spokesman hinted a dynamite assault may be staged in Jerusalem's old city to lift an Arab siege of 1500 Jews.

The Jewish anti-sniper raid centered on the Sheikh Jarrah quarter, where Arab gunmen have choked off traffic between Jerusalem and Jewish institutions on Mount Scopus. The Jews, attacking with gasoline bombs and grenades, fired a three-story house and damaged 16 others, after warning occupants to flee.

New violence erupted in the area of the port city of Haifa, where one Jew was killed when a large party of Arabs attacked Jewish laborers. Police engaged the attackers, who were believed to have suffered casualties.

A Jewish agency spokesman said a "big bang" would be the logical outcome "if Arabs persist in their siege of the 1500 Jews in Jerusalem's old city. The Jews have been virtual prisoners since New Year's day."

Gandhi Starts Fast for Peace

New Delhi, India, Jan. 13 (AP)—Mohandas K. Gandhi started a life-endangering fast for communal peace in Delhi and India at 11 a. m. (12:30 a. m., Eastern Standard Time) today.

The Indian patriot and prophet of non-violence, frail and 78, rejected last-minute appeals from Hindu, Sikh and Moslem delegations that he give the people 15 days to restore peace before beginning his fast. He received them in the garden of a millionaire friend's home here.

"You must prefer Gandhi or lawlessness. You can't have both," delegation members said he told them in Hindi. They added he asserted life had no value nor attraction without peace and love.

Promptly at 11 Gandhi pointed to the remnants of his breakfast of goat's milk and vegetables, from which he had been eating sparingly, and said, "take it away. It is time."

He timed the start of the fast exactly with his watch. He then rinsed his mouth with water and held a brief prayer service for his assembled friends and others, reading selections from the Mohammedan Koran, the Christian Bible and the Hindu Vedas or religious tenets.

He asked the people, including the Hindu, Sikh and Moslem delegations, to leave him then, and he went indoors to follow his normal routine of reading mail, dictating messages to his followers and closely studying current events in newspapers.

Virus "X" in Bay Area

San Francisco, Jan. 13 (U.P.)—A wave of epidemic nausea, which was known in Los Angeles under the name of "Virus X," was becoming widespread in the San Francisco bay area today.



Soviet Ship Lists in Heavy Seas—The distressed Russian ship Dvina (foreground) lists at a 30-degree angle as it wallows in stormy waters off the coast of Hokkaido in northern Japan while a Russian destroyer stands by to aid the vessel carrying 780 passengers, destination and nationality unknown. Picture by C. P. Gorry, Associated Press photographer, who flew over the scene in an army plane. The Dvina, still under tow, entered Japanese territorial waters a few miles south of Kushiro, Hokkaido, Tuesday afternoon after American authorities had granted permission for her to dock in a Japanese port. (AP Wirephoto)

Wrangle Continues Over Marshall Plan

Washington, Jan. 13 (AP)—Pressure built up among house republicans today to write out definite orders for whoever is to run the European recovery program and to specify equally definite limitations on his power.

Representatives Vorys (R., Ohio) and Chipfield (R., Ill.) were among the GOP members on the foreign affairs committee talking along that line as house hearings on the Marshall plan rolled into their second day. Lewis H. Douglas, ambassador to Britain, and a former Arizona congressman, was billed as the witness.

Secretary of Agriculture Anderson was called for questioning by the senate foreign relations committee at the same time (10 a. m., EST).

From that side of the capitol came fresh indications that GOP lawmakers are not completely satisfied with the administration's estimate of \$6,800,000,000 as the precise sum needed to operate the plan for the first 15 months.

Chairman Vandenberg (R., Mich.), observed yesterday that there is nothing "sacrosanct" about the figure, adding that it will not ruin the program if the committee makes some changes in it.

Vorys put his objections directly to Secretary of State Marshall while the cabinet member was testifying yesterday.

Marshall agreed that there is no single section setting out in detail things for the administration to do. But he said the bill contains a declaration of purposes and provides the basis for a presidential executive order saying how the administration shall operate.

Marshall stuck by his guns for a single administrator working closely with the state department. But there is strong sentiment in the house for running the program through a board of directors.

Secretary of Agriculture Anderson said today total food exports proposed under the Marshall plan would actually be smaller than in other recent years.

As the European recovery program progressed, he said, there would be a decreasing shipment of scarce foods and an increasing emphasis on the more abundant foods.

Anderson gave this analysis of food aspects of the Marshall program in testimony prepared for the senate foreign relations committee which has the European recovery program before it.

Predicts Popular Demand for Rations

Harrisburg, Pa., Jan. 13 (AP)—U. S. Agriculture Secretary Anderson forecasts a reinstatement of rationing by popular demand by April or May of this year.

"I predict that the people will demand rationing, at least of meat by April, or certainly by May," Anderson told a reporter at a meeting of Pennsylvania farmers last night where he was a guest speaker.

The secretary told the farmers that demands on American agriculture under the Marshall plan will continue "at very high levels," and called for "top production to meet these demands."

Errol Flynn Ill

Hollywood, Jan. 13 (AP)—Screen Actor Errol Flynn has followed his entire household to bed as a victim of "Virus X" and his doctor says the film star is "a very sick man."

Manager Gives Water Program To Councilmen

Rate Reduction Held Impossible; O'Hara Attacks Taxes

By Stephen A. Stone

No reduction in Salem water rates should be considered at this time, City Manager J. L. Franzen told the city council Monday night.

His report, after an investigation, in which he outlined the immediate and near-immediate improvement program of the water department, brought from Alderman David O'Hara an attack on continuing tax levies, centering on the new sewer service rental charge.

The manager's investigation was requested by the council three weeks ago when O'Hara said he thought a cut in water rates might be made to offset the sewer service charge.

"The city manager's report is very thorough," said O'Hara. "It is a good example of the course of these continuing taxes. It is typical of the programs that are laid out to spend every cent of available money. It is not consistent with the American theory of taxation. The people are getting fed up with these exactions, such as this sewer rental charge. And since we last met the telephone company has given every householder a new jolt. Some time I would like to see somebody recommend a reduction in some of these taxes."

How Mayor Inquired

"How," inquired Mayor Elstrom of Mr. O'Hara, "would you finance the development of a growing city?"

"The city of Salem," replied O'Hara, "has been functioning since 1859 and has never deprived the people of any necessary governmental services that I know of."

He further attacked the water administration for adhering to the \$1.20 minimum that had been set up when the system was privately owned, notwithstanding it is, he said, supposed to operate on a less expensive basis and doesn't have to pay taxes.

"I can't understand it," said O'Hara. "There never has been any report. It seems to be a kind of sacrosanct thing that you aren't supposed to touch."

Manager Franzen's report listed projects totaling an estimated cost of \$806,383, with total available cash at the beginning of the year of only \$371,830.93.

"It is estimated," he said, "that the total income earned for 1948 would be approximately \$140,000. If this were added to the amount of funds available the total would be \$711,830.93. If this amount were applied against the cost of the projects, and if the projects were constructed during the year 1948, there would be a deficit of \$94,552, with no reserve for emergencies."

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Butter Up Cent But Eggs Lower

Butter was boosted a cent and eggs were down one and two cents in Salem markets Tuesday morning.

New prices on grade A butter list it at 93 cents retail and 88 cents wholesale. Butterfat quotations also were higher at 92 cents on premium, 90 cents on No. 1 grade, 80 to 85 cents on No. 2 grade, buying prices. Butter had dropped a few cents last week.

Buying prices on eggs dropped to 55 cents on large grade; 51-52 cents on mediums; 50 cents on standards and 38 cents for pullets.

In wholesale listings eggs are down to 59 cents on the large size and 55-56 cents on mediums.

Bush House Dedicated by Council for Art Museum

The Sally Bush house in the Bush pasture was, in effect, dedicated as a public museum by resolution of the city council Monday night. The action was taken at the request of the Salem Art association.

It will not be made a museum immediately, but at such time as the city takes control of the house as part of the Bush pasture public park. The resolution does, however, justify the art association in purchasing from the Bush family the valued contents of the house for which arrangements already have been made. David Dunaway, state archivist, who spoke for the association, described the house as "a beautiful example of the architecture of the 1870s."

Sidney W. Little, dean of the school of architecture at the University of Oregon, and Prof. Marion Ross, of the department of architecture at the university, will be here Wednesday of this week to make recommendations to the association and to the Bush family on what physical changes should be made in the building. Fire Chief W. P. Roble

State Building Architects' Fee Compromised

6 Percent to be Paid on First Million Expended—4 Percent on Second

By James D. Olson

A compromise on architectural fees for the new state office building was reached Tuesday between members of the board of control and representatives of the architectural firm of Whitehouse, Church, Newberry & Roehr at a lively meeting of the board.

Under the compromise a contract will be prepared by the attorney general under which the state will pay the firm six percent on the first \$1,000,000 cost of the building; four percent on any or all of the next million dollars and three percent on any cost above \$2,000,000.

State Treasurer Scott's proposal that the state pay three percent to the firm on all costs in excess of \$1,000,000 was rejected by the architects after which Governor Hall made the proposal that was accepted.

Outlines History

Earl Newberry of the architectural firm outlined to the board the history of the negotiations with the old board of control. He said that the firm had first prepared four sets of preliminary plans, out of which one set was selected. Work on drawings then began, he said, but it was found that the building with the space desired by the state could not be constructed for the \$1,000,000 authorized by the 1941 legislature.

He pointed out that twice the legislature increased appropriations for the building, once in 1945 by \$500,000 and again in 1947 by another \$500,000.

However, the architect said it was not increased costs of materials that affected the fee, but rather the necessity of twice changing the plans for the building, changes ordered by members of the former board.

Building Enlarged

Mr. Newberry also said that in August, 1947, the board of control in addition to asking for an additional 4400 square feet, instructed the firm to rush the final plans, because of the need of space by state departments.

Treasurer Scott told the architects that they had taken the work not knowing if the building would ever be built.

"You took this work over your own risk," he said.

"No, no," answered Mr. Newberry. "We had no reason to feel that the state would not pay for our services."

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To Run Ike in Keystone State

Washington, Jan. 13 (AP)—The daring young men on the Eisenhower - for - president political trapeze today threatened to upset republican party calculations with a flyer into the April 27 Pennsylvania primary.

Unabashed by the general's newest but second-hand disavowal of political desires, the Pennsylvania Draft - Eisenhower league announced at Harrisburg that a slate of delegates will be entered for the retiring army chief of staff.

Thus Pennsylvania, with 73 national convention votes, offers a possible second testing ground for those who think Dwight D. Eisenhower ought to be the republican nominee and insist they intend to proceed along that line, come what may.

The fact that Eisenhower passed up a chance yesterday to kill off a similar move in New Hampshire immediately subjected the general to suspicion in both major political camps that, if he isn't already a candidate, he is not slamming the door on the possibility.

A democratic national committee official who didn't want to be identified by name said that as a result of the statement he thinks Eisenhower is "flirting" with the idea of running, but may not have made up his mind.

Dairymen Meet

Astoria, Jan. 13 (AP)—The Oregon Dairymen's association opened its 54th annual meeting here today with a three-day agenda of dairy industry topics listed for delegates. Committee sessions in advance of the formal opening were held yesterday, discussing herd improvement, dairy products promotion, disease control and resolutions.

The Weather

(Released by United States Weather Bureau)

Forecast for Salem and vicinity: Clear tonight and Wednesday with light and morning fog. Lowest Expected temperature tonight, 35 degrees; highest Wednesday, near 55. Maximum yesterday, 48. Minimum today, 31. Mean temperature yesterday, 40 which was 1 above normal. Total 24-hour precipitation to 11:30 a. m. today 0. Total precipitation for the month is 6.32 inches, 1.28 inches above normal. Willamette river height at Salem Tuesday morning, 10.3 feet, falling.