

Senate Passes Ban on Reds As State Employees

Committee Approves Budgets for State Institutions

By PAUL W. HARVEY, JR.
A bill to prevent communists from working for the state of Oregon won unanimous senate approval today and went to the house.

The measure, by Sen. Jack Bain, Portland democrat, prevents the state from employing any person who "directly or indirectly carries on, advocates, teaches, justifies, aids or abets a program of sabotage, force and violence, sedition or treason against the government of the United States or of the state of Oregon."

The bill provides the right of appeal to the state civil service commission for any person dismissed under the law.

The house sent to the senate a bill to give labor one representative on the state civil service commission.

The joint ways and means committee approved a bill to make the state liquor commission buy all of its supplies except liquor through the state purchasing agent.

This bill is the result of the dispute between former Governor John Hall and Liquor Commissioner J. O. Freck over supplies which the commission bought from Freck's stationery store. Hall fired Freck because of it.

The ways and means committee approved the first of its big budgets, these being for state institutions. The institutions got what they asked for except for new buildings.

State Has to Vote on Budgets
The legislature might let the people vote on whether to construct the new buildings for state institutions and higher education, taking the money out of income tax surpluses.

Amounts approved today for the institutions for the two years beginning next July 1 include: State hospital, \$4,827,378; eastern Oregon state hospital, \$2,812,279; Fairview home for feeble minded persons, \$2,685,374; State Deaf school, \$644,526.

The ways and means committee said it would investigate whether to keep on giving the Pacific International Livestock Exposition in Portland the \$35,000 a year share of state dog racing receipts. Some members want to stop the grant on grounds the exposition is a private corporation paying dividends to its stockholders.

A subcommittee recommended that the exposition be made to repay a state gift of \$100,000 made in 1921 to enable the exposition to build a new building.

Age Pension Groups Protest

Leaders of old age pension groups made three demands at a public hearing last night, and they said some harsh words about the way the public welfare commission administers pensions.

They asked these changes in the pension bill now before the legislature:

1. Have an old age pension administrator who would be independent of the public welfare commission.

2. Let every pensioner earn up to \$25 a month without having to report it. This would be in addition to the bill's granting every person over 65 years old at least \$50 a month, including other income.

3. Put in a provision that the state can't take over estates of deceased pensioners. The ways and means committee has introduced a bill to give the state the estates of such pensioners as a means of letting the state get some of the pension money back.

The theory behind this claims bill is that children would more readily take care of their parents if the children faced the prospect of losing their parents' estate.

About 300 oldsters attended the hearing in the house chamber before the house social welfare committee.

State Income Tax Experts Available

A state income tax agent will be in various valley cities on specified dates for the convenience of taxpayers, it was announced today. The schedule includes:

Capital Journal

61st Year, No. 58 Entered as second class matter at Salem, Oregon Salem, Oregon, Wednesday, March 9, 1949 Price Five Cents

State Welfare Requests Exceed County Budgets

By JAMES D. OLSON
Administrative budgets for county welfare commissions submitted by the state welfare commission in support of its request for \$61,584,033 for the 1949-50 biennium are higher in many cases than the budgets submitted by the county boards.

This was revealed when a majority of the county judges of the state appeared before a subcommittee of the ways and means committee considering the huge welfare budget.

"It looks like the state welfare department took figures out of the air to support its increased request," said Rep. William B. Morse, chairman of the sub-committee.

Biennium Budget
In 1947 the legislature budgeted \$46,101,347.77 to the state welfare commission for the 1947-49 biennium.

A letter dated August 27, 1948, was sent by the state welfare commission to all county welfare boards requesting submission of county welfare budgets for the 1949-50 biennium. It was on these budgets that the present state welfare budget request was predicated.

However, the state welfare commission sent another letter on February 21, 1949, asking the counties to submit a yearly budget outline.

County Judge L. V. Beckley of Douglas county told the members of the sub-committee that the administrative budget for the welfare board in his county submitted last September was \$62,800 for the two year period. The administrative budget appearing in the state budget for this county was \$69,325.

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Stalemate in Portland Strike

Portland, March 9 (AP)—Talks continued today between Oregonian and Journal management and striking AFL pressmen's representatives.

Two days of joint sessions have brought no apparent change in the situation.

Arden X. Pangborn, business manager of the Oregonian, said last night at the conclusion of the day's meeting that "we are still meeting and talking—there is nothing else."

Both papers were shut down by the pressmen's strike on Feb. 18. The next day, some 2,000 other mechanical and office workers were laid off without pay.

Members of the CIO American Newspaper Guild voted last night to hold a general meeting before returning to their jobs in the event the pressmen and management reach an agreement. The editorial workers reopened their contract earlier this month, asking a wage revision.

The guild also set up a welfare committee for members. Sam Eubanks, New York City, Guild executive vice-president, pledged the resources of the union's national defense fund for the welfare program.

Washington Bars Doggies
Olympia, March 9 (AP)—The legislature yesterday slammed the door on a proposal to permit dog racing in Washington. Both houses agreed to remove an amendment authorizing greyhound racing from a bill which legalizes racing of quarter horses.

County Grants Easement to BPA for Dam Power Line

The county court Wednesday closed a deal with the Bonneville Power administration giving it an easement deed to 2 1/2 acres of land in the North Santiam area allowing the Bonneville transmission line from Lyons to the Detroit dam to cross the property.

S. J. Steele, agent for the administration who presented the deed, said the land already has trees and brush cut and work of cleaning that up is under way. This is but one small piece of right of way for this transmission line which takes off from the main line at Albany goes through Lebanon and Lyons and will carry power for Detroit dam construction work.

Steele said after the dam is completed the same line will carry juice out from any power development which may be made at the dam. Under the agreement with the county the owner may still use the rest of the land for any other purpose desired which doesn't interfere with the power line and does not create a fire hazard.

County Commissioner Rice

Flood Waters Spill Over Lands In Four States

(By the Associated Press)
Operation Cleanup today became the top order of business in Beatrice, Neb., flood-hit southeast Nebraska river city. High water on the Big Blue river receded rapidly after driving some 125 families from their homes.

Officials said it will be some time before displaced persons can return to their flooded dwellings. Meanwhile, flood threats grew stronger on the Elkhorn river in northeast Nebraska and ice jams, coming and going, kept flood threats alive on the meandering Platte river.

Winter Returns
The weather picture itself was thrown into some confusion by a mild return of winter, marked by a seven inch snowfall at Sidney in western Nebraska.

County Agent Bill Bullock at Sidney said the new snow would help the winter wheat crop "immensely."

Rain and snow fell over four states where hundreds of homeless are fighting flood waters. Heavy rain covered a wide belt from east Texas across Arkansas to the Ohio valley.

Surging waters from swollen streams spilled over thousands of acres of land in Nebraska, Iowa, Montana and Louisiana. But colder weather in many parts of the midwest checked some of the overflow.

The Missouri river was generally below flood stage over its course through eight states from northern Montana to southern Illinois. But many of the big river's tributaries were on a mild rampage.

Montana Floods
Minor floods were caused north of Sidney, Mont., after ice 30 to 40 inches deep blocked the Yellowstone river and sent water over its banks. Some residents expressed fear of widespread floods if the ice gorge backed up for 20 miles. Farmers and ranchers along the river were urged to leave their homes and remove their livestock.

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Colorado Shale Producing Oil

Los Angeles, March 9 (AP)—A gigantic "oil mine" operation in Colorado has multiplied America's petroleum reserves several fold.

This is disclosed by Boyd Morris of the U.S. bureau of mines division of synthetic fuels, who says an oil shale deposit near Rifle, Colo., eventually should become the largest mining operation in the world.

It has a potential of about 350,000,000 barrels of crude oil, he told the American Institute of Chemical Engineers convention yesterday. That amounts to about 10 times the volume of all the oil from wells drilled so far in this country.

The project, already operating on a small scale consists of mining the shale rock and transforming the near-solid petroleum contents into crude oil.

Morris said giant caverns produced by the huge mining operations in upstate timber areas, however, was beginning to bring down the number of unemployed.

Twenty-three local offices reported that many farm jobs, delayed by the worst winter in years, are opening up all over the state.

Unemployment claims fell off noticeably in Salem, Eugene, Coos Bay, McMinnville, Albany and Klamath Falls.

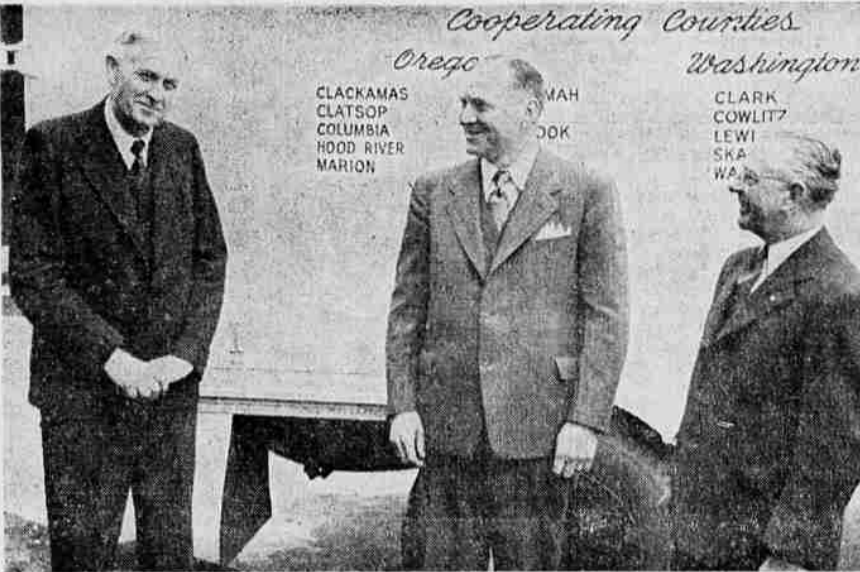
Bar Colored Oleo But Repeal Taxes

Washington, March 9 (AP)—The house agriculture committee today voted in favor of repealing all federal taxes on oleomargarine, but forbidding the sale of colored margarine in interstate commerce.

The bill went through by a vote of 24 to 3 after the committee had defeated a proposal that would have permitted the sale of yellow margarine without tax, but would have required eating plates that served it to advertise the fact on their menus.

The outcome was regarded as a victory for the dairy state interests.

The bill still has to be considered by the house and senate.



Blood Program Dedicated—Dedication for the local set-up in the peace-time blood program for this area was conducted Tuesday in Salem with the first visitation to Marion county of the blood mobile from the Portland regional blood center. From left: Justice George Rosland of the Oregon supreme court who gave the dedicatory talk as prepared by Milton L. Meyers, who was unable to attend; Charles H. Huggins, chairman of the Marion county chapter of the Red Cross; and Col. Philip W. Allison, donor recruitment chairman. The three are standing before the blood mobile which will receive blood from 100 donors monthly in Marion county.

Prosecution of Pyramid Clubs Studied by Stadter

District Attorney E. O. Stadter Wednesday wrote John B. McCourt, district attorney for Multnomah county, and also to the Portland city attorney, for any assistance they may give him to determine whether pyramid clubs are legal.

Pyramid clubs seem to be approaching a peak in Salem. "I have received dozens of inquiries from persons wanting to know if the clubs are legal," the district attorney said.

"My reply has been that I think they are unlawful, but so far I have been unable to put my finger on a statute that is clear on the matter."

Stadter said he was trying to get any possible help from the attorneys in Portland where the Pyramid club furor is even hotter than it is here.

City Attorney Chris J. Kowitz also is being called on to advise interested citizens. Numerous inquiries have come to him, he said.

Both the district attorney and the city attorney are curious about the mathematical calculations that are involved in the clubs and how the records are kept. Many persons who haven't joined a club believe those who have will find shortly that the scheme isn't what it seems to be and that it will die out without legal interference.

Just now, however hundreds of persons are being invited to join clubs. Several invitations reached girls in downtown offices Wednesday. Many were trying to find out about the legality before accepting.

All Time High Unemployment Aid
The Oregon unemployment compensation commission today reported an all-time high of \$1,169,662 was paid to the jobless last week, but that claims are beginning to fall off with the coming of good weather.

Logging and lumbering accounted for nearly half of the 64,000 claimants. Spring activity in upstate timber areas, however, was beginning to bring down the number of unemployed.

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TVA Unsuitable For Northwest

Eugene, March 9 (AP)—President Truman's top economic adviser said here last night that the Tennessee valley authority program cannot be transplanted whole to the Columbia valley.

Dr. Edwin G. Nourse, chairman of the president's council of economic advisers, said TVA was an experimental project.

"I believe that it is a great mistake to think that TVA could be transplanted altogether into this area or into any other area. Consequently, I would say it is necessary first of all to find out what the conditions are here. We must find what ingredients will fit the situation."

He made the statement in answering a question by one of some 150 state business leaders at a meeting to hear him.

Nourse also said he saw no reason to think 1949 will see a business recession if businessmen keep their heads.

He predicted "an excellent level of prosperity, minus the inflationary pressures of 1948. He said 1949 is "the year of catching up. We have to face the completion of the catching up process." He said this had been going on since the end of the war.

The former vice president of the Brookings Institute said he detected a feeling of uncertainty, of "waiting to see which way the cat will jump."

Referring to the securities stock market, the economist said "the market can't crash at this point. It is already too close to the ground."

Mary Garden to Make Lecture Tour

Detroit, March 9 (AP)—Mary Garden, famed opera singer of another generation, is coming out of retirement to make a lecture tour.

The National Arts Foundation announced today that Miss Garden will return to this country next fall from her native Scotland, where she retired in the mid-1930's.

Carleton Smith, foundation director, said Miss Garden will tour 25 cities in the United States and Canada with proceeds to be used to finance teaching of the arts to students selected by the non-profit foundation. Miss Garden also will help teach talented young singers.

Sherman Pleads Guilty to Looting Safe, Asks Leniency

Cornelius W. Sherman, ex-night clerk at the Marion hotel, pleaded guilty before Judge George R. Duncan Wednesday to a charge of looting the hotel safe of \$290 and when District Attorney Ed Stadter, Jr., recommended leniency in the case the court ordered a pre-sentence investigation be made before he determines what disposition of the case will be had.

The loot amounted to more than the \$290 named but some of it was in checks and it was stated the checks can probably be replaced. The money was part of the hotel receipts. Sherman slipped into the hotel office while a relief clerk was on duty and extracted the money while the other clerk was busy. He has returned in the neighborhood of \$100, the district attorney said.

Stadter told the court that Sherman had been very cooperative and in the light of this he suggested not only leniency but possibly that probation be granted.

The hearing disclosed that Sherman had been arrested in Denver, Colo., in 1938 on a robbery charge, but he said that was dismissed. In 1939 he was arrested in San Francisco on an undisclosed charge and taken to Eureka, but he also said that matter was dismissed. However, he did serve eight months in San Quentin being sent up from Los

2 More Shifts Announced in Soviet Cabinet

Changes Held Designed to Strengthen Leadership

Moscow, March 9 (AP)—Two more high level Soviet leaders were promoted today. The latest shifts in the cabinet of Prime Minister Stalin saw A. I. Efremov relieved as minister of the machine tool industry and upped to vice chairman of the council of ministers, the Soviet cabinet.

A. I. Kostousov succeeds to Efremov's ministry.

The moves came only a few days after V. M. Molotov, Stalin's closest associate, was relieved of the foreign ministry and replaced by former Deputy Foreign Minister Andrei Y. Vishinsky.

Molotov 59 Years Old
Molotov, who is 59 years old today, retains the posts of first vice chairman of the council of ministers and member of the policy-making politburo of the communist party.

Vishinsky's spot as first deputy foreign minister was taken over by Andrei A. Gromyko, former chief Soviet delegate to the United Nations.

The news of Efremov's promotion was handled by the Russian newspapers in the same way as the announcements affecting Molotov and Vishinsky.

It appeared under the heading of "public announcements" on the back pages of morning newspapers.

There has been no comment in the Soviet press on any of the cabinet shifts.

Western Views on Shifts
Western diplomats have expressed the opinion that the shifts of Soviet officials, totaling seven with those promoted today, were designed to strengthen Russian leadership.

Western diplomats in Moscow have said they viewed the changes as a move to give the deputy prime ministers some of the duties of Stalin, now almost 70 years old, and reported in ill health.

There has been some speculation that Stalin may relinquish the prime minister's post to Molotov.

Stalin became prime minister in 1941, shortly before the war.

Swiss Expect U. S. to Pay

Bern, Switzerland, March 9 (AP)—The Swiss government served notice today that it expects the U. S. to pay interest on its \$16,000,000 war damage claims.

Switzerland claims the U. S. airforce caused the damage by accidentally dropping bombs on neutral Switzerland during World War II. The worst incident took place January 4, 1944, when Schaffhausen near the German border was blasted.

The U. S. made an immediate payment of \$4,000,000 after this incident, but further payments have been held up by congress, the Swiss federal council said.

The federal council said American legislation for a further \$2,300,000 payment would cover only a part of Swiss claims, especially as "a considerable amount of interest" would have to be added to the original claim.

Veteran Actor Dies
Hollywood, March 9 (AP)—Death has taken John Maurice Sullivan, 73, retired actor who appeared on the stage with Robert Mantell and Chauncey Olcott many years ago.

British Cabinet To OK Treaty

London, March 9 (AP)—The British Cabinet is expected to give its formal approval to a final draft of the Atlantic pact tomorrow.

Foreign Secretary Ernest Bevin and his topmost advisers were giving the draft a last once-over today, government informants said.

Britain will send back word of the cabinet's expected approval and comments—if any—in time for the Washington negotiators' last scheduled discussion of the Text Friday, the official said.

The British foreign office expects the treaty to be signed either in the last week of March or the first week in April.

The place of signature—it will be either Washington or Bermuda—with the odds on Washington—probably will be settled Friday too, the British say.

The part which strategically important Greenland will play in the pact-partners' strategic plans is expected here to come up for close study in Washington in the next few days. Greenland is a Danish possession. Denmark's Foreign Minister Gustav Rasmussen is due in the American capital tomorrow for talks with Secretary of State Dean Acheson. The United States still has operational control of two airfields in Greenland.

Atlantic Pact to Pledge Nations' United Defense

Treaty Fits Within United Nation's Charter on Aggression

Washington, March 9 (AP)—Secretary Acheson said today the Atlantic treaty, as now drafted, makes clear the nations signing it will defend themselves against aggression from any quarter.

Summarizing at a news conference the negotiations on the treaty text, Acheson pictured the pact as the end result of western policy developments brought on by Russia's blocking of peace.

Only yesterday, the secretary of state discussed the proposed treaty with the senate foreign relations committee. The members informally approved a final treaty draft.

Treaty Draft Approved
Acheson did not disclose the treaty text in his news conference discussion. But he said that in his opinion the United States, Canada and the countries of western Europe have, through the text as it now stands, accomplished four major achievements:

1. They have recognized the fact of life in preparing to establish a formal relationship between the United States and the western European countries. Acheson said this relationship is not artificial but has existed 300 years or more and has its roots in the common ideas and common institutions of freedom.

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Senate to Vote Pact Approval

Washington, March 9 (AP)—Senate approval appeared assured today for the projected North Atlantic security treaty.

Finally completed after eight months of negotiations, the unprecedented 20-year alliance won an informal okay from the senate foreign relations committee yesterday. No strongly organized opposition was in sight.

The pact would have the effect of binding the United States to the defense of western Europe, although it would still be up to congress to determine in event of an attack whether war should be declared by the United States against the aggressor.

The alliance is intended to make such a demonstration of unity on the part of the western powers that Russia, if it ever so tempted, would not dare to attack any one of them.

The text of the proposed treaty is expected to be made public in about a week, before it is signed. Officials now believe it will be signed by the end of the month—possibly at a meeting of foreign ministers of the Atlantic powers in Washington.

Only after the signing, in which eight or more countries are due to participate, will the treaty be formally presented to the senate.

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Ex-King Left Fortune
London, March 9 (AP)—Former King Victor Emmanuel of Italy, who died in Cairo in 1947, left an estate in England valued at £1,532,287 (\$6,129,148), court records disclosed today. Details were not revealed.

THE WEATHER
(Released by United States Weather Bureau)
Forecast for Salem and Vicinity: Mostly cloudy with occasional rain tonight. Partly cloudy Thursday. Little change in temperature. Lowest temperature expected tonight, 34 degrees; highest Thursday, 54. Maximum yesterday 49. Minimum today 34. Mean temperature yesterday 44 which was 1 below normal. Total 24-hour precipitation to 11:30 a.m. today .03 of an inch. Total precipitation for the month 29 of an inch which is 31 of an inch below normal. Willamette river high at Salem Wednesday morning, 41 feet.