

# Senators Vote Unanimously For Tax Program

## Major Bills Provide Enough Money to Balance Huge Budget

By PAUL W. HARVEY, JR.

The senate gave unanimous approval today to the main legislative tax program, which provides enough money to balance the state's huge budget for the next two years.

Passage of the two main bills clears the biggest obstacle toward ending long legislative sessions, although there still are plenty of other obstacles left. The bills have to go back to the house, however.

In brief, the bills provide:

**Provision of Bills**

Use of enough of the existing \$51,000,000 income tax surplus to balance the budget.

Let future corporation income tax receipts be used to pay state expenses, after offsetting state property taxes and setting up a \$15,000,000 reserve fund.

Keep on using future personal income tax receipts for property tax reduction.

As the law now stands, all corporation and personal income tax receipts can be used only to reduce property taxes. This includes the surplus on hand.

It will solve the state's financial headache for the next two years.

**Warning by Walker**

But Sen. Dean H. Walker, Independence, chairman of the senate tax committee, warned that the 1951 legislature either will have to enact new taxes, or else put more tax burden on property.

By 1951, there won't be any income tax surplus left.

What the house will do with the senate version of the tax bills is uncertain. The idea of using the existing surplus is the senate's. The senate also made widespread changes in the technical mechanics of the bills.

When the legislature quit today, it assured itself of setting an all-time record for length of a legislative session. Today was the 83rd day, and the record 1947 legislature ended on the 84th day.

**Big Problems Left**

The lawmakers still have to finish action on their eight biggest problems and it looked like it will take at least another 10 days. However, some leaders think they might wind up a week from today.

The house, to speed things up, adopted a rule limiting debate. It limits each speaker to five minutes on any one bill, although other members can yield their time. The senate has had a similar rule for several weeks.

**Adjournment Due April 12**

With no major legislation yet enacted into law, the 45th legislative assembly will not finally adjourn until April 12 or 13th, according to estimates of legislative leaders Saturday.

William E. Walsh, president of the senate, declared that he was strongly against any hectic Saturday night or Sunday morning adjournment and would much prefer to return for a few days after April 9 and end the session in an orderly manner.

This view was concurred in by Speaker of House Frank J. Van Dyke.

The legislature was in its 83rd day Saturday, thus tying the record for a long session of that sort by the 44th legislature. If the adjournment takes place on April 13 the session will have consumed 94 days.

Fear has been expressed by some weary senators that the predictions of the president of the senate and the speaker are too conservative and that if the long-winded oratory which has frightened senate sessions, particularly during the last few days, continues, adjournment they will not be able to pack up and go home until April 15 or 16th.

**Record Pay for Jobless Workers**

Payments to Oregon's unemployed during March were at an all-time record of \$4,166,215, but claims for compensation filed last week had dropped to 30 percent under the winter's peak.

The state unemployment compensation commission reported 48,616 claims filed last week for benefits.

Payments in the first three months of this year totaled \$10,967,347. This was almost a million dollars more than the previous record set in the first quarter of 1946. It was 10 months of more than 40 percent of the unemployed were logging, and sawmill workers, with construction industries providing another 12.5 percent of the jobless.

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## Bill to Cut-off Highway Funds From Cities Dead

By JAMES D. OLSON

Hopes of sponsors of the senate bill designed to stop the state highway commission from constructing any roads within the limits of cities were dim after the senate returned the bill to the committee for further consideration.

The action of the senate came after 2½ hours of debate, which became decidedly acrimonious at times.

Senator Paul Patterson, chairman of the senate roads and highways committee opposed the bill declaring that it was introduced because the highway commission proposed to expend \$7,800,000 in the Salem area on a traffic plan and planned to build the Sullivan Gulch thoroughway in Portland.

**Patterson Opposes Bill**

"The sponsors of this bill overlook the fact of the total proposed to be spent on the Salem traffic project, \$4,700,000 will be expended outside of Salem. In addition \$3,000,000 of the funds to be expended will be from the federal government," he said.

Senator Allen Carson of Marion county said the sponsors of the bill were "sandbagging and hijacking" Salem and said that many of the 16 senators whose names appear on the bill "were being used."

"We've been running around in Salem for years with our highway seat out of our pants," Carson declared.

**Small Cities Also Hit**

In explaining his conception of the effect of the bill if passed, Senator Patterson used the proposed four-lane Salem-Portland highway, as urged by many of the senators, as an example. (Concluded on Page 5, Column 8)

## Rent Ceilings Lift in Areas Of Four States

Washington, April 2 (AP)—Rent ceilings were lifted today on 36,500 dwelling units in four states. Housing Expediter Tighe Woods said more than 80 other areas in 23 states will be decontrolled within a week.

Woods accompanied the removal of restrictions with a sharp warning that ceilings will be slapped on again if "an unreasonable increase" in rents results from the moves.

Twenty areas in Alabama, Indiana, New Jersey and Texas are affected by the initial decontrols.

The move resulted from a provision of the new rent control act which empowers Woods to remove ceilings anywhere in the nation but to put them back on if unusual rent boosts result.

The housing director made it clear that his agency will continue to police rents in decontrolled areas. He said local advisory boards have been told to stay in existence and keep in touch with the machinery to enforce new ceilings "should the need arise."

Information now available, Woods asserted, is "inconclusive as to whether the demand for rental housing has been reasonable in the present series of actions."

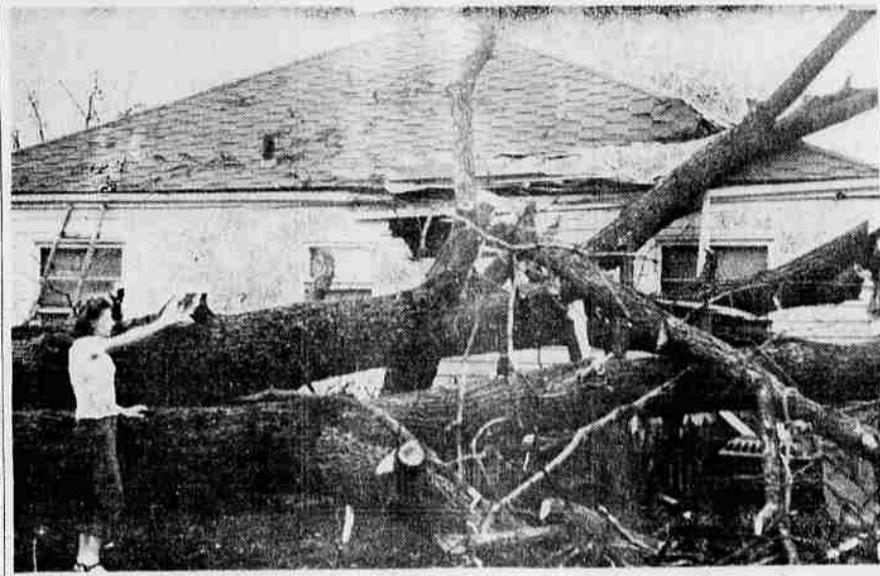
He left little doubt that he will order new ceilings should rent gouging follow the decontrol action.

**Power to Replace Given**

The statement announcing the ending of restrictions called it a decision to "take a chance" on lifting controls now that the agency has power to replace them.

Today's action does away with ceilings on 30,100 dwelling units in eight localities in Texas; 4550 units in six areas of Indiana; 1800 units in one Alabama county; and 150 units in five New Jersey townships.

As the housing expediter made his first moves under the new 15-month rent law, his staff whipped into shape a statement of official policy under the bill.



**Big Tree Crashes Wrong Way**—This huge black walnut tree felled by Lewis Myers and his crew toppled elsewhere than calculated and crashed through the house and garage of W. R. McCarroll, 425 South 22nd street. Mrs. McCarroll is shown pointing to the section most heavily damaged.

## Tree Crashes Home, Garage

A walnut tree, 75 feet high, that was being felled Friday afternoon, crashed down upon the W. R. McCarroll home and garage, 425 South 22nd street, and did serious damage.

The tree was being cut down by Lewis Myers and crew, and failed to fall in the direction intended. Big holes were torn in the roof and walls of the house, toward the rear, and the garage adjoining was badly crushed. The bath room was badly damaged.

Luckily, all members of the family were outside at the time watching the felling process, so no one was hurt. McCarroll said the house was not insured against damage of the kind but he thought the fallers were insured.

Deviations from the Baldock report are a north Salem two-way routing via Pine street from Highway 99E to North Commercial street, which is not objected to by R. H. Baldock, state highway engineer, and a vote favoring delay in adoption of the one-way street grid until after completion of a new bridge at Marion street.

Relative to bridges the vote of the planning commission recommends "that the new bridge be located at Marion street; that the present Center street bridge approaches be rebuilt and that both bridges be connected to west side streets and highways by appropriate under and overpasses."

The new Marion street bridge would be for one-way westbound traffic. The rebuilt Center street bridge would be for one-way east-bound traffic.

Bridges were the main cause of division in the commission, several members holding out for a new four-lane bridge at Division street. The majority conceded some advantages to the Division street plan, but cited the smaller cost of the Marion-Center plan and shorter distance by four-fifths of a mile between Salem and Dallas.

On the grid system the recommendation is that it "be deferred for the time being, and that if and when the Marion-Center street bridges are completed, that those streets be made one-way streets as recommended in the Baldock report." (Concluded on Page 5, Column 4)

## Planning Group Approves Baldock Bridge Plan

The Salem long-range planning commission Friday night approved in the main the Baldock recommendations for street and bridge routings and construction in Salem.

The two-bridge plan in the Baldock report was approved by a vote of 8 to 6. The vote was by secret ballot.

## Gruening Denies Being Dictator

Washington, April 2 (AP)—The senate interior committee today weighed arguments for and against confirmation of Ernest Gruening to continue as governor of Alaska.

Chairman O'Mahoney (D-Wyo.) indicated that a decision will be made soon—possibly within a matter of a few days.

The committee worked late yesterday to wind up in one day its hearing on the nomination. Members heard three charges made and denied by delegations of Alaskans:

1. That Governor Gruening had used dictatorial methods, and sought unduly to influence legislators in favor of his program.
2. That he campaigned among Alaskan natives with favored candidates for the territorial legislature.
3. That he has hindered the development of Alaska by his stand against "absentee ownership."

Gruening took the stand to deny the charges himself.

He said he had pressed for enactment of his program for the development of Alaska, but was in no sense a "dictator," and had no power to be if he had wanted to be.

## Stassen Seeks Aid for China

Boston, April 2 (AP)—Harold E. Stassen said last night that this nation should move against communism by "bolstering" southern China and all of Asia with a billion-dollar-a-year "MacArthur plan."

Such a move, patterned after the Marshall plan, is needed, he said, to make up for "inaction or withdrawal of aid" which "contributes to the communist domination of China."

The 42-year-old University of Pennsylvania president shared platform honors with Winston Churchill at the Massachusetts Institute of Technology convocation of top scientists and thinkers at Boston Garden.

"We should move, and move promptly," Stassen said, "to bolster the southern half of China."

Stalin and the entire philosophy of communism were attacked by the speaker who said he saw little difference between the "fuehrer principle of Hitler's system" and the "centralism of Stalin's."

## Oleo Tax Repeal Voted by House

Washington, April 2 (AP)—Backers of a house-approved bill to repeal all federal taxes on oleomargarine said today its senate chances look good, despite the promise of bitter opposition from dairy-state lawmakers.

Senators from butter-producing states read a substitute measure and said they are prepared to "talk at length" to prevent passage of the repeal bill which the house passed yesterday by a 287 to 89 vote.

In stamping approval on the bill to erase the 63-year-old taxes, the house rejected all efforts to outlaw interstate shipment of yellow margarine.

However, the measure stipulates that public oleomargarine sold in yellow packages must be triangular in shape and identified as oleomargarine. The bill does not affect the laws of 18 states that prohibit the sale of the yellow product.

Hardly had the house voted when Senator Wiley (R., Wis.) announced that he and 20 other senators are ready to introduce a "states rights" bill to:

1. Repeal the oleomargarine taxes;
2. Prohibit interstate shipment of yellow oleomargarine;
3. Let the individual states decide then whether they will permit the sale of the yellow product.

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## Complete Rights-of-Way For Broadway Extension

County Surveyor Dale Graham reported to the county court Saturday he had completed negotiations for the last of the parcels of ground needed by the county for the extension of Broadway from its terminus inside the north city limits to the North River road. Albert E. and Nora M. Wickert have given an option to the county to purchase 245 feet of 60-foot right-of-way through their place for \$1400. This includes 16 walnut trees which will have to be removed. The Salem Realty board had appraised the property at \$1280, the county had made the \$1400 offer before the appraisal and the Wickerts had been suggesting \$2000 as a reasonable figure and the amount taken is by way of compromise.

While the county has now completed its job of securing right-of-way it is different with the seven parcels the city has to acquire inside its limits before work on the road can go ahead. None of these has been purchased.

City Engineer J. H. Davis says that appraisal of six of these pieces totals \$3185 with the sixth place, formerly owned by Marion county, in something of a jam as to its title and appraisal delayed until this is squared away.

## Pope Celebrates 50 Years Priesthood

Vatican City, April 2 (AP)—Pope Pius XII celebrated the 50th anniversary of his priesthood today. Fifty thousand Catholic school children knelt before the Pontiff in the Belvedere court of the Vatican in the only public ceremony marking the day.

The children, from the third fourth and fifth grades, made the day a joyous occasion for Pope Pius. He smiled and nodded encouragement to tiny speakers and singers ranged before him and preached a sermon on the virtues of family, love of God and charity.

Hundreds of children nearest the roped-off area before the throne platform threw their flowers toward the pope.

## Crowds Force Truman To Stop His Walks

Washington, April 2 (AP)—President Truman has stopped walking to and from work. The crowds were congesting traffic, the White House explained today.

Sightseers thronged to watch Mr. Truman's daily progress from Blair house, his temporary residence, center-corner across Pennsylvania avenue to the White House, now under repair. Large crowds assembled each evening for the tourist stroll.

With the tourist season only beginning, White House officials decided it would create less disturbance if Mr. Truman used an official limousine.

## \$35,402 Checked in For Red Cross Drive

A sum of \$35,402 was checked in for the Saturday noon report on the Red Cross fund campaign, the amount including \$500 in pledges from several local firms.

Only \$175 came in Saturday morning, but Monday is expected to bring in further reports from county areas. Less than \$6000 is in so far from county areas, in the rest of the county money, around \$29,000 being from the Salem divisions in the campaign.

All contributions are asked to be sent in to the Red Cross offices, the drive headquarters being moved there.

**On Summer Time**

London, April 2 (AP)—Britain goes on summer time one hour ahead of Greenwich mean time and six hours ahead of Eastern Standard time, at 6 p.m. (PST) tonight. Summer time will last until October 30.

**THE WEATHER**  
(Released by United States Weather Bureau)

Forecast for Salem and Vicinity: Clear tonight becoming partly cloudy and slightly warmer. Sunday, lowest temperature expected tonight, 33 degrees; highest Sunday, 62. Maximum yesterday 56, minimum today 35. Mean temperature yesterday 47 which was 2 below normal. Total 24-hour precipitation to 11:30 a.m. today trace. Total precipitation for the month trace which is .15 of an inch below normal. Willamette river height in Salem Saturday morning, 3 feet.

# Senate Smashes Foreign Envoys Biggest Threat To Recovery Bill Put OK on Text Of Atlantic Pact

## Amendment Cutting Outlays for Marshall Plan Defeated

Washington, April 2 (AP)—A major victory under their belts, senate leaders pushed today toward final approval for the \$5,580,000,000 European Recovery Program.

While a pile of policy-changing amendments lay ahead, what was probably the biggest threat to the bill for a second-year Marshall Plan was smashed last night. That was the proposal of Senators Taft (R., Ohio) and Russell (D., Ga.) to cut the cash outlays for foreign aid 10 percent.

The senate beat back the Taft-Russell amendment by a lopsided 54 to 23 vote. But because of the slack of amendments still awaiting action, there was a chance a final vote would be delayed until next week despite today's unusual Saturday session.

**Economy Moves Lose Out**

Leader Lucas of Illinois said, all remaining amendments seemed sure to be defeated.

Lucas said he was surprised at the margin by which the economy move lost out, and added:

"The psychological effect throughout the world will be tremendous. The communists can't use this for propaganda and they can't say we wrenched our promises to Europe."

Senator Byrd (D., Va.) told a reporter the vote probably seals off any efforts to cut the budget this year.

He discounted the promise by Senator Vandenberg (R., Mich.) that the appropriations committee will have a free hand to cut actual cash outlays on the aid bill.

**Wherry Move Defeated**

Fourteen republicans and nine democrats voted to cut the authorization—which serves as a ceiling over later appropriations. Of the democrats, all were southerners except Senator Gillette of Iowa. Voting against the Taft-Russell proposal were 35 democrats and 19 republicans.

Before the crucial test on that amendment, the senate defeated on a 68 to 14 vote an amendment by Senator Wherry of Nebraska, the GOP floor leader, to lower the ceiling on the aid fund by 15 percent. Taft and Russell both voted against this.

## Ministers of All 12 Nations Prepare for Signing Treaty.

Washington, April 2 (AP)—Foreign ministers of all 12 Atlantic pact powers were called into their first huddle today to start drawing up grand strategy machinery for the non-communist western world.

**Reject Russia's Charge**

The 12 Atlantic pact foreign ministers rejected outright today Soviet Russia's charge the treaty is aggressive in intent and directed against the Soviet Union. In their first formal meeting, they also unanimously approved without charge the text of the treaty to be signed here Monday.

A statement adopted by the group as its first action said that the treaty text refutes the charge Moscow made yesterday. The western representatives said that complaint from Russia included "misrepresentation."

"The text makes clear the completely defensive nature of this pact, its conformity with both the spirit and letter of the charter of the United Nations, and also the fact that the pact is not directed against any nation or group of nations but only on aggression," the statement concluded.

The officials were first expected to make a formal check of the treaty which was completed here early this month, then informally talk over the kind of agencies which will be needed to carry out the aims of the alliance.

Two strategy groups are specified in the pact itself: a consultative council and a defense committee. All 12 member nations presumably will be represented on each of these bodies.

**Consultation Council**

The council, according to the treaty, must be so organized that it can meet on short notice to deal with any emergency. It is the body which would be summoned into hasty session, for example, if one of the members of the alliance should be attacked. (Concluded on Page 5, Column 6)

## Senate Debates Aid to Europe

Washington, April 2 (AP)—Senator Ellender (D., La.), urged the senate today to require European countries receiving American aid to increase the flow of war materials to this country.

The Louisiana senator led off in the eighth day of senate debate as leaders pushed toward a final vote—probably next week—on a measure to make \$5,580,000,000 available in economic aid for western Europe.

Senator Lucas (Ill.), the democratic leader, said he may seek an agreement later to vote on passage of the bill early next week. He planned to hold the senate in its unusual Saturday session until 5 p.m. EST, he said.

Ellender offered an amendment requiring that 25 per cent of the money received by European countries through their sale of American supplies to their own people be used to purchase strategic materials for this country.

He also proposed another amendment prohibiting the use of American dollars to pay off foreign national debts.

## Syria Ruled by Army Council

Damascus, Syria, April 2 (AP)—The army, abandoning efforts to form a new parliamentary government, dissolved the chamber of deputies and set up a supreme military council to rule the country today.

The military council is headed by Col. Hussi Al-Zaim, army chief of staff and leader of the bloodless coup which deposed Premier Khalid El-Azami's government on Thursday.

The military council is headed assisted by a council of undersecretaries, an official announcement said. It said a constitutional commission also will be set up to investigate the establishment of a new constitution and electoral system.

Government sources said the United States and British ministers informed Al-Zaim on Thursday that they viewed Syrian political developments as an internal affair and looked forward to the establishment of a stable government soon.

Al-Zaim's supporters interpreted this as "favorable reaction" to the coup.

## Radford Commands Fleet in Pacific

Washington, April 2 (AP)—President Truman today nominated Vice Adm. Arthur W. Radford as commander in chief of the Pacific fleet and high commissioner of the Pacific islands.

If confirmed by the senate, Radford will succeed Adm. Dewitt Clinton Ramsey, who is retiring on May 1.

Mr. Truman asked the senate approve for Radford the grade, rank and pay of admiral "while serving under a presidential designation as commander in chief Pacific fleet, and high commissioner of the trust territory of the Pacific islands."

Radford now is vice chief of naval operations.

## Friendliness With Russians Barred by Iron Curtain

New York, April 2 (AP)—Winston Churchill said today that it was his "dear wish" that the western nations could become friends of the Russian people—"if we could only get to them."

"It is a great grief to the British and American people that the valiant Soviet soldiers who fought so bravely have been misled into the position they are in at the present time," Churchill said. "It is my dear wish that we could be friends of the Russian people. If we could only get to them we would be glad to stretch out the hand of friendship."

The 74-year-old war time prime minister held a press conference aboard the Queen Mary before sailing for England. Puffing contentedly at one of his long cigars, he chatted informally with the press. Churchill, who arrived after an overnight train ride from Boston, wore one of his famous "siren suits."

Speaking of Russia, he said: "If you think it stands better if they opened their border—Don't you think it stands better in its naked simplicity?"

## Ask \$875,000 to Buy Lincoln School

The joint legislative ways and means committee today recommended appropriating \$875,000 to buy Lincoln high school in Portland to give college extension courses under the board of higher education.

But Sen. Carl Engdahl, Pendleton, told the committee that the school wouldn't be available for about two years.

The senate already has defeated a bill to put a junior college in Portland.