

County Budget Board Votes for \$10 Pay Raise

Capital Journal

61st Year, No. 99 Entered as second class matter at Salem, Oregon Salem, Oregon, Tuesday, April 26, 1949 (Pages) Price 5c

U.S. Navy Ships Leave Shanghai As Reds Near

Russia Offers Terms for Lifting Berlin Blockade

Increase Extends to All But Elective Employees

First act of the Marion county budget committee Monday opening its session on the 1949-50 budget was to vote an across the board increase of \$10 a month to all but elective employees which will represent \$12,730.

The action extends to county road crews, members of which will receive an additional 5 cents an hour which approximates the same raise. County Judge Grant Murphy was the only committeeman voting against the \$10 a month. He said he was opposed because it isn't enough.

He said he favored a larger wage rather than an increase of personnel to make department heads feel justified in being more exacting with their employees. He also said, rather than a hard and fast raise, he favored one a little more open where adjustments could be made based on work done and ability. The judge said further that he believed wage increases could be made by cutting out some of the other items in departmental requests, items he said might be handy to use but could be dispensed with.

Justify Wage Hike
The wage increase was further justified by statements that all governmental agencies from federal down have granted wage increases. "To keep the wages down so low in the county is to merely set up the county as a training school for future state employees," said Judge Murphy. "They come and take their pick with more attractive offers."

With the wage problem out of the way the committee began tackling the budget item by item. (Concluded on Page 5, Column 7)

17 Legislators Off on Junket

Seventeen members of the Oregon legislature, headed by William E. Walsh, president of the senate, and Frank J. Van Dyke, speaker of the house, will leave by chartered plane Wednesday for Sacramento where the group will visit the California legislature.

Then members of the party, members of the joint committee on inter-state cooperation, will meet with a similar committee composed of California legislators to discuss problems relating to traffic regulation, highway use by heavy vehicles and some problems facing both states in relation to aviation.

The senate committee will be represented by Senators Carl Engdahl, chairman; Eugene Marsh, Paul Patterson, Irving Rand and Austin Dunn.

Members of the house committee that will make the trip include W. W. Chadwick, Salem, chairman; Carl Francis, Alex Barry, Giles French and Robert Gile.

Other Oregon legislators who will make the trip include Max Landon, chairman of the house highways committee; William Morse, member of the ways and means committee; Ralph Moore, chairman of the house taxation committee; Henry Semon, chairman of the house ways and means committee and Sen. William McAllister, chairman of the senate labor and industries committee.

Voters Affirm School Budget

Voters in the 83 precincts of Marion county's rural school district voted favorably April 18 to affirm the district budget of \$1,120,671, according to completion of the official count showing 1281 votes for to 917 against the budget. So shows the official count just completed by the staff of County Superintendent Agnes C. Booth for the district boundary board.



Sullivan Quits Cabinet Post

Washington, April 26 (AP)—Secretary of the Navy John L. Sullivan resigned today with a blast at Secretary of Defense Louis A. Johnson for blocking the navy's plan to build a super aircraft carrier.

In a letter to Johnson, Sullivan called the defense secretary's order to halt work on the carrier "arbitrary" and said it was taken without even consulting the navy.

Sullivan added: "The conviction that this will result in a renewed effort to abolish the marine corps and to transfer all naval and marine aviation elsewhere adds to my anxiety."

Sullivan's office made this letter public shortly after President Truman accepted his resignation. The White House, announcing Sullivan's resignation, made public an exchange of letters between him and the president. These letters said nothing about the carrier.

Sullivan wrote Mr. Truman: "More deeply than words can express, I regret the circumstances that prevent me from continuing in my present post to help you in your magnificent efforts."

Sullivan asked that the resignation be made effective "at the earliest date convenient to you." Mr. Truman, replying, wrote he deeply regretted "that you feel impelled to relinquish your post."

State Offices Tunnel to Start

Interesting construction, starting next week, will be a tunnel extending from the new State Office building at Court and North Capitol to the State House across the street. Beginning Monday Court street will be closed to vehicular traffic in the building area. The traffic will be detoured by way of Center street. The reason for detouring to Center instead of Chemeketa is that barricades now extend 40 feet into Chemeketa.

West German Republic to Be Created July 15

Frankfurt, Germany, April 26 (AP)—An anti-communist federal republic of western Germany is due to come into being this summer.

The west German state, forged from the three allied occupation zones, will have a population second only to the Soviet Union on the European continent. More than 46,000,000 people within its borders.

The final obstacles to formation of a German republic free of military government were overcome in a momentous six-hour conference last night between West German political leaders and the three western military governors.

The announcement was made at a news conference by Gen. Lucius D. Clay, American military governor.

Clay set the target date for the birth of the republic as July 15—four months after the date set last year by the western allies.

The accord ignores Russia, which occupies almost a third of the prewar reich. The republic will be made up of the individual German states in the American, British and French occupation zones.

Western German leaders, while going along with the allies in formation of the republic, insist they want to see all Germany united eventually.

Magnet to Germans
They theorize hopefully that a prosperous west German state will prove a magnet to Germans in the Soviet zone and kill any Russian hopes of establishing a popular communist regime.

Russia, which has been bitter in its opposition to a seemingly final splitting of Germany, has made many efforts to prevent formation of a west German state.



Record Recorded—Ground crewmen pass gasoline to fliers Bill Barris and Dick Riedel at San Diego, Calif., as the pair reach the 964 hour mark of their successful attempt to stay aloft for 1,000 hours. This was the last re-fueling planned for the fliers as they near their goal. They landed on the 1008th hour. (Acme Telephoto)

Camp Mongold Soon Operating at Capacity

Camp Mongold, constructed to serve as headquarters for the staff of the Corps of Army Engineers during the construction of Detroit dam, will soon be operating at full capacity, according to Lt. Col. John W. Miles, resident engineer.

The camp, located about six miles east of the damsite, is a veritable city, with its own water and power supply, dormitories and cafeteria for the single men and apartment buildings, now all occupied, for families of the administrative staff.

Although Detroit dam has been designed primarily to reduce flood damage in the Willamette valley—an important link in the entire Willamette Valley project—provision has been made for installation of two power generators to develop a maximum of 90,000 kilowatts.

Land Will Get Water
In addition 340,000 acre feet of water will be available for irrigation of lands lying below the dam. Col. O. M. Walsh, district engineer for this area, has made it clear that no one is to be forced to accept water for irrigation.

In fact, Col. Walsh states that no water will be appropriated for irrigation unless application is made by irrigation districts formed under the laws of the state of Oregon.

The Detroit Dam, when completed in 1953, will tower 1569 feet above sea level. It will create a lake 8 1/2 miles long and covering 3,580 acres.

One of the large tasks will be clearing of the entire pool area of trees and shrubs. The first contract for clearance work has been let by the Consolidated Builders, Inc., the contractors building the dam, to L. L. and R. W. Byers of Redding, Calif., to clear 48 acres at the dam site. The Byers crew has already cleared a path for a Bonneville power transmission line from the damsite.

1008 Hours in Endurance Hop

Fullerton, Calif., April 26 (AP)—Ending six full weeks in the air, Endurance fliers Bill Barris and Dick Riedel landed today.

The wheels of their monoplane touched the asphalt runway at Fullerton airport at 11:45 a.m. (Pacific Standard time). They had been in the air 1,008 hours, one minute.

Six weeks was the goal they set when they took to the air March 15 for their fourth try at exceeding the 10-year-old endurance record of 726 hours.

Their three previous failures—once because of magneto trouble, twice because of ice on the carburetor—had been costly and they were kept in the air only by contributions of \$1 each from some 2000 Fullerton citizens. The Chamber of Commerce also had chipped in some \$1500 from its surplus cash.

A great cheer arose as a shot from the official timing stand announced that the pair had passed the 1008-hour mark. Immediately the plane started down on its approach.

North Marion Appeal Dropped

Announcement is made in an official note from Bartlett Cole, Portland, attorney for the objectors in the matter of validity of the proceedings in connection with formation of union high school district known as the North Marion or Aurora-Hubbard district, that the appeal to the supreme court by the objectors has been withdrawn.

Objectors are William O. Gooding, Jack Murray and Edwin J. Miller. When the district boundary board recently set May 16 as date to vote on petitions asking the electors to again pass on the dissolution of the district, it did so with the statement made that in event a date was set for the election the appeal would be withdrawn.

Withdrawal of the appeal lagged and County Superintendent Booth wrote to Cole advising that unless the appeal was abandoned as had been indicated the district boundary board might withdraw the dissolution election. Cole says his letter is in answer to the county superintendent's answer and "to give proof that a pending appeal has been withdrawn."

100 Americans on Warships, Communists Nearing Hangchow

Shanghai, April 26 (AP)—Heavy U. S. naval vessels moved out of Shanghai today as two communist spearheads rolled toward the Shanghai-Hangchow area.

The communist radio in Peiping boasted two nationalist armies, the 20th and 99th, had been wiped out. Two towns, Iliang, 85 miles west of here, and Chingtai, 60 miles southwest of Nanking, were captured, the radio said.

The communist broadcast said the Nanking-Hangchow highway had been cut. Government garrison headquarters said Red advance units were around Soochow (Wuhsien), 40 miles west of here.

Reds Capture Iliang
Red capture of Iliang, on the west bank of Lake Tai, would mean the communists were half way to Hangchow, where some 300,000 government troops are believed dug in. A rapid thrust south could cut the Shanghai-Hangchow corridor.

The American ships went down the Yangtze estuary from here to avoid involvement in the civil war.

U. S. Consul John Cabot estimated 100 Americans, mostly women and children, boarded U. S. navy vessels for evacuation in any emergency.

Another group of Americans is expected to board the SS Willson of the President lines when it arrives tomorrow from Hong Kong.

(Concluded on Page 5, Column 8)

Hinges on Meeting of Council of Foreign Ministers

Moscow, April 26 (AP)—Moscow's press published today the terms under which the Soviet Union offer to lift the blockade of Berlin.

A statement distributed by Tass, the official news agency, said that if an agreement can be reached on a date for a meeting of the council of foreign ministers, then:

1. The Russians will lift their communications ban, provided the west ends its counter-blockade of eastern Germany;
2. The Berlin currency question, which hampered the four-power talks in Moscow last summer, can be discussed by the four powers after the communications restrictions are lifted;
3. The entire German question should come up for review by the four foreign ministers.

Some foreign diplomats here said this offer was the first sign in months that some agreement might be possible between the east and the west, but they warned against either hasty optimism or undue pessimism. One diplomat said the Soviet statement "holds a promise" which was worthy of consideration by the United States, Britain and France.

(The Soviet statement comes closer than in any previous overtures to meeting the west's demand—that the blockade be lifted first before any four-power talks can be held on the future of Germany as a whole. The offer was made public only a few hours after the announcement by the west in Germany that difficulties barring the way to a west German government had been cleared away. Russia vehemently opposes a separate west German state.)

Red Press Bids for Peace
It would appear here, from the terms of the offer, that a unified Berlin currency no longer is a prime condition for the lifting of communications restrictions in Germany's first city. If this be true, it represents a step forward from the point where the four-power discussions broke down last summer.

The three western envoys in Moscow almost had reached agreement with Prime Minister Stalin and then Foreign Minister V. M. Molotov, but the currency issue blocked the way.

All newspapers this morning published the Tass statement prominently but made no editorial comment, as if waiting for western reaction.

It seemed significant, however, that the newspapers carried the new May Day slogans bidding for peace with the west.

Churchill Asks For Retaliation

London, April 26 (AP)—Winston Churchill angrily told the government today it ought to have aircraft carriers in China water for "effective power of retaliation" against Chinese Communists who attacked British warships.

"This is not a matter of warfare," Prime Minister Attlee replied in the house of commons, "there is no suggestion of making an attack anywhere at all."

Churchill called the shelling of British warships on the Yangtze an "atrocious outrage" and accused the government of "throwing the whole burden" of responsibility on naval commanders in China.

The sloop Amethyst was disabled by Communist artillery fire last Wednesday while en route upriver with supplies for the British embassy at Nanking. Other ships which went to her aid were heavily shelled and turned back. Attlee gave official casualty figures as 42 dead, 53 wounded, and 12 missing.

Earlier the foreign office disclosed that Britain got a warning from China two months ago that it was unable to guarantee the safety of ships in the Yangtze. A spokesman said he understood the warning was sent to a number of governments with ships anchored there.

Terms Held to Be Acceptable

Washington, April 26 (AP)—The United States said today "the way appears clear" for lifting the Berlin blockade provided the Russians' terms actually are those published by Moscow.

The state department got out a 1200-word statement of the American position. It was understood the United States, Britain and France had discussed the published Soviet terms and had found them acceptable.

The only reservation appears to be whether the Russians intend to propose any further conditions.

The formal state department pronouncement came after a round of top-level government conferences. One of these was a report to President Truman from Dr. Philip Jessup, the American delegate to the United Nations Security Council. Jessup had discussed the Soviet proposal at Lake Success, N. Y., with Jacob A. Malik, the Russian UN delegate.

For himself Jessup told reporters "things look hopeful." That presumably was an indication that he inclines to the view that the Soviet proposal is a sincere one and that there are no hidden conditions to be sprung later.

Indict 4 for Stealing Safe

Dallas, April 26—Indictments were reported out by the Polk county grand jury Tuesday, charging burglary not in a dwelling against the four men arrested in Sacramento for theft of a safe from the Y cafe on Salem-Dallas highway.

The four, who have not yet reached here in charge of two Oregon officers, are Otis Langley, 21, Douglas Samuel Boyington, 22, and Jasper Boyington, 19, all Californians, and Charles Gepner, 21, of Salem.

Witnesses before the grand jury were Mr. and Mrs. Ervin York of the Y cafe. The true bills of indictment were returned in charge Arlie G. Walker.

In charge of the four men, on their way here from California, are Deputy Sheriff Tony Neufeld and Sergeant Mayfield of the Oregon State police.

DST Measure Before Council

Mainly to gratify the wishes of people who work for the state a bill was introduced in the city council Monday night to set up daylight saving time in Salem.

It would be effective at 2:01 a.m., May 16, and end at 1:59 a.m., September 11. Although it would not start until May 16, the bill is supposed to be given final action by the council at the May 9 meeting, and carries the emergency clause which would make it effective as soon as passed and signed by the mayor.

House Debates On Labor Bill

Washington, April 26 (AP)—Rep. Lesinski (D, Mich.) got set to open house debate over the Taft-Hartley act today with a request that the administration's labor bill be passed "without amendment."

In a speech prepared for delivery, the labor committee chairman said the people voted last November for repeal of the Taft-Hartley law. Then he declared: "If we break faith with our own people—who expressed themselves so clearly and in such detail last November—we confess to the people of western Europe who are today desperately seeking the truth, that the forces of communism speak the truth, while we practice hypocrisy."

The administration bill, which bears Lesinski's name in the house and that of Senator Elbert Thomas (D, Utah) in the senate, would repeal "Taft-Hartley and replace it with a somewhat enlarged version of the original Wagner act of 1935.

House republican leaders and many southern democrats are supporting a substitute introduced by Rep Wood (D, Ga.). This also says the Taft-Hartley act is "hereby repealed." Then it proceeds to re-enact most of the Taft-Hartley provisions.

No Drawing Straws for City Contracts Goes With Mr. Fry

Maybe, said Alderman Dan Fry Monday night, it wasn't colusion, but it sure was a strange coincidence.

And as for drawing straws to see who would get a city contract the alderman couldn't go for that at all.

So, on Alderman Fry's motion, the council refused to accept the Commercial Sand & Gravel Supply company's bid on ready-mix concrete for Salem's street work, and threw out two other bids as well. City Manager Franzen was directed to look around and see what can be done.

The bid of the Commercial company was \$11 a cubic yard. But the bids of the Walling Sand & Gravel company and the River Bend Sand & Gravel were also \$11.

According to a time-honored American custom the bidders met in the city engineer's office and drew lots. Whether straws or toothpicks were used, or whether they rolled dice, wasn't revealed. Anyway Commercial company won, and City Manager Franzen recommended its bid be accepted.

"I'm afraid if we accepted bids like that it wouldn't be long until they were all meeting ahead of time and arranging their bids. I want competitive bidding."

Lower Columbia Dikes Repaired

Portland, April 26 (AP)—Most lower Columbia river diking districts are making improvements in anticipation of high water in June. Col. O. E. Walsh reported today.

Walsh, Portland district army engineer, said recently that many districts had not taken any action. He warned that they were inviting trouble. Since then, he said, reports of maintenance work have been received.

Robber Takes Day's Cash

Portland, April 26 (AP)—An automobile dealer and service station manager was relieved of \$426 and locked in his office by a lone gunman last night.

Ferrell W. Loos said he was alone, counting the day's cash receipts, when held up.

BPA Contract Let

Seattle, April 26 (AP)—A \$289,400 contract for installation of 10 circuit-breakers in the Bonneville Power administration network was granted yesterday to the Pacific Electric Corp., San Francisco. Circuit-breakers will be installed at Kennewick, Shelton, Olympia, Covington, and Snohomish in Washington, and Eugene, Coquille, McMinnville, and Coos Bay, Oregon.

PTA Meet Opens

Eugene, April 26 (AP)—The state Parent-Teacher association opened a three-day convention here today.

Fish Board Threatens Court Action Against Dam

Portland, Ore., April 26 (AP)—The Oregon state fish commission today threatened to resort to court action to prevent construction of the proposed \$12,000,000 Pelton dam on the Deschutes river.

The threat was raised during a day-long hearing before the State Hydro-Electric commission on the application of the Northwest Power Supply company to build a 150-foot high barrier atwart the Deschutes to increase the northwest's dwindling power supply.

More than 50 witnesses paraded before the commission, again drawing the battle lines sharply between fish conservationists and power advocates.

John C. Veatch, chairman of the fish commission, testified: "We would be bound to move in against anyone attempting to block the stream. Oregon has invested \$70,000 in the Metolius hatchery site, above the proposed dam site. This \$70,000 would be a total loss to the state in event of construction of the dam. Until there is new legislation, I see no way the company can take over public land, occupied by the state."

It was explained later that the fish commission feels there is no place below the dam where the company could build a hatchery to replace the present state hatchery.

Opponents of the dam outnumbered the proponents at the hearing.

Ray Kell, attorney for the Oregon State Grange, protested the application on grounds that conservation and irrigation needs were paramount over the power needs in the case of the Pelton dam.

Main contention of the opponents was that the power shortage in central Oregon will be filled within one to three years, as soon as new Columbia river dams begin producing power, and that the Pelton dam therefore is not an emergency project.

THE WEATHER
(Released by United States Weather Bureau)
Forecast for Salem and Vicinity: Considerable cloudiness tonight and Wednesday, and a few showers Wednesday. Little change in temperature. Lowest temperature expected tonight, 38 degrees; highest Wednesday, 68 degrees. Conditions will be mostly favorable for farm work. Maximum yesterday 43. Minimum today 37. Mean temperature yesterday 54, which was 1 above normal. Total 24-hour precipitation to 11.30 a.m. today 0. Total precipitation for the month 49.0 of an inch which is 1.71 inches below normal. Willamette river height at Salem Tuesday morning 3.8 feet.