

# Alumina Plant's Purchase Sought For Manganese

Seattle Company May Use It Processing Army Metals

What importance may be placed on a report that Manganese Products, Inc., is negotiating for the former Salem alumina plant, to use for processing army metal stockpiles, is a question.

The big plant, built by the government in war days at a cost of \$5,000,000 or more, is now used as a fertilizer manufacturing plant, operated by Columbia Metals corporation.

In Seattle Tuesday John R. Allen, president of Manganese Products, Inc., said the plant might be used to process army metals.

**One of Four Bidders**

That firm was one of four bidders when the war assets administration had the plant up for sale several months ago. Its offer of \$750,000, however, was not accompanied by the usual certified check, and it proposed to pay for the plant out of the profits. In Washington the offer was not considered a bid.

The other three bids, one of which was made by J. O. Gallagher and A. W. Mitzger of Columbia Metals, were rejected.

It is reported in Salem that Manganese Products has had representatives in Washington recently, and Allen is reported to have said Tuesday that his firm has been given 30 days to submit a price to the army on ferro-manganese production at the plant. The Seattle dispatch said a negotiated price of \$750,000 was reported to have been placed on the plant.

**To Make Fertilizer Also**

At the time the four bids were rejected it was said in Washington that the WAA would negotiate for sale of the plant instead of again calling for bids.

Under Allen's plan, it is said, fertilizer and ferro-manganese processing would be carried on at the same time. The army is reported to have a large stockpile of ore at Las Vegas, Nevada. Allen said Manganese Products, Inc., eventually would expect to use its own manganese ores from the Olympic peninsula, where it has properties.

Metzger, who is manager of the plant for Columbia Metals, said he had no knowledge of the Allen plan. The plant, now making ammonium sulphate fertilizer for a western market, will close for the spring season Friday of this week. It will still have on hand a considerable quantity of fertilizer which it will put on the market.

The lease of Columbia Metals expires June 30, and it is doubtful if operations will be resumed before the government decides what disposition is to be made of the plant.

# Atlantic Pact Hearings Held

Washington, April 27 (AP)—Secretary of State Acheson pleaded with congress today to approve both the North Atlantic treaty and the proposed \$1,450,000,000 arms aid program to bolster "world-wide security."

Acheson appeared before the senate foreign relations committee at the opening of hearings on the pact which was signed here April 4. It requires approval by a two-thirds vote of the senate before it can be ratified.

The cabinet officers termed the 12-nation security treaty and the foreign military assistance program parallel ways of building world security and said he believes both are necessary.

But he met head-on one of the biggest questions raised by some congressional critics by saying that the treaty does not formally bind congress to approve the projected military program.

What the pact does do, Acheson said, is bind the United States to the principle of "self help and mutual aid." He went on:

"There is an obligation to help, but the extent, the manner and the timing is up to the honest judgment of the parties."

**Seal Hunters Rescued**

St. John's, Nfld., April 27 (AP)—Twenty-five seal hunters were rescued today after spending 24 hours on an ice floe off the coast of Belle Isle, between Newfoundland and Labrador.

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

Forecast for Salem and Vicinity: Mostly cloudy and slightly cooler with occasional light rain tonight and Thursday. Lowest temperature expected tonight, 43 degrees; highest Thursday, 65. Maximum yesterday 74. Minimum today 47. Mean temperature yesterday 56 which was 3 above normal. Total 24-hour precipitation to 11:30 a.m. today 0. Total precipitation for the month, 49 of an inch which is 1.75 inches below normal. Willamette river height at Salem Wednesday morning, 23 feet.

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## County Budget Board Ponders Fund Requests

The county budget committee Wednesday is whittling its way through an all day sequence of hearings, none of them designed to aid in the big problem of the committee to cut its cloth to fit the six percent limit imposed on its levy but mostly designed to add a bit here or there.

County Judge Grant Murphy, chairman of the committee, expressed hope that the committee might wind up its labors Thursday when it will have most of its hearings completed and can do some digging into the figures themselves.

**More Agents Requested**

Most of Wednesday morning was used up in a hearing on a request for an additional helper for home demonstration agent under the extension service. Clifford Smith of the state extension department at Corvallis, explained that the legislature had provided funds to play the salaries of five extra demonstration workers over the state and one will be allotted to Marion county if the county will furnish necessary funds for her expenses and secretarial assistance. The total asked from the county is \$2500 and this is over and above any provisions now contained in budgetary requests.

A home demonstration committee consisting of Ivan C. DeArmond, Mrs. Floyd Fox and Mrs. Frank W. appeared on behalf of the additional agent. They explained that there are now 29 units, serving nearly 1000 people and 12 applications for other units are on file. An agent is supposed to handle 18 units so the staff is now way beyond its depth in this work alone in addition to countless other tasks facing it, said the proponents.

(Concluded on Page 5, Column 7)

## Seek Probe of Sullivan Case

Washington, April 27 (AP)—Republican senators today called for a detailed inquiry into the reasons for Secretary of the Navy Sullivan's resignation.

Sullivan quit yesterday with a blast at Secretary of Defense Johnson for halting construction of the USS United States, which would have been the world's largest aircraft carrier.

While Chairman Tydings (D., Md.) of the senate armed services committee chafed up the matter as a "closed incident," GOP committee members said they thought the group should dig deeper into the dispute.

Among those mentioned as a possible successor to Sullivan is Jonathan Daniels, editor of the Raleigh (N.C.) News and Observer. Daniels was due in Washington today in his capacity as a member of the advisory board of the economic cooperation administration.

Democrats appeared willing to allow Tydings unless Sullivan himself should ask a congressional airing of his differences with Johnson.

But Senator Bridges (R., NH), top-ranking GOP committee member, told reporters he thought there was "an understanding" with Tydings to call up Sullivan for an explanation "in view of the conflicting statements that have been bandied about."

**Gilnet Fishing to Open**

Astoria, April 27 (AP)—Gilnetters plan to fish when the commercial salmon season opens Sunday and keep price negotiations going at the same time.

## Sub-standard Schools to Share In Basic Fund

By JAMES D. OLSON

Sub-standard schools of Oregon will not be deprived of allotments from the \$17,500,000 annual basic school fund providing such districts offer a reasonable plan for improvements.

This statement was made Wednesday by Rex Putnam, superintendent of public instruction, who said that many letters had been received in the department during the last several weeks from school districts expressing fear that state funds would be withheld.

"Our entire plan of standardization of schools in the state through use of funds provided by the basic school law is to aid the districts in meeting the standardized requirements," Putnam said.

Putnam said that thus far, no school district had been deprived of its share of basic school funds since the law was adopted.

"It is true that many of the schools in the state do not conform to the standardization requirements but in most of these cases the district has no ability to issue further bonds but are doing all possible to improve conditions," Putnam continued.

Putnam said that while supervisors from the department frequently make suggestions for improvements, the state does not insist upon any definite program.

"When a district produces a plan for overcoming our objections," he added, "the state department attempts to aid the district and certainly does not cut them off at the pocket."

Recently directors of the Woodburn school district expressed fear that \$40,000 of basic school funds would be withheld by the state. However, under Putnam's policy, if a plan for improvements is presented the district will continue to benefit from basic school funds.

The state school head pointed to the Silverton school district as one that despite poor financial condition had shown a willingness to overcome its difficulties.

"In the Silverton district everything possible is being done to improve the school district," Putnam said, "and the department is endeavoring to aid them."

Failure of increases in assessed valuations to keep pace with increased population and higher costs is responsible for the plight of many of the Oregon districts, Putnam said.

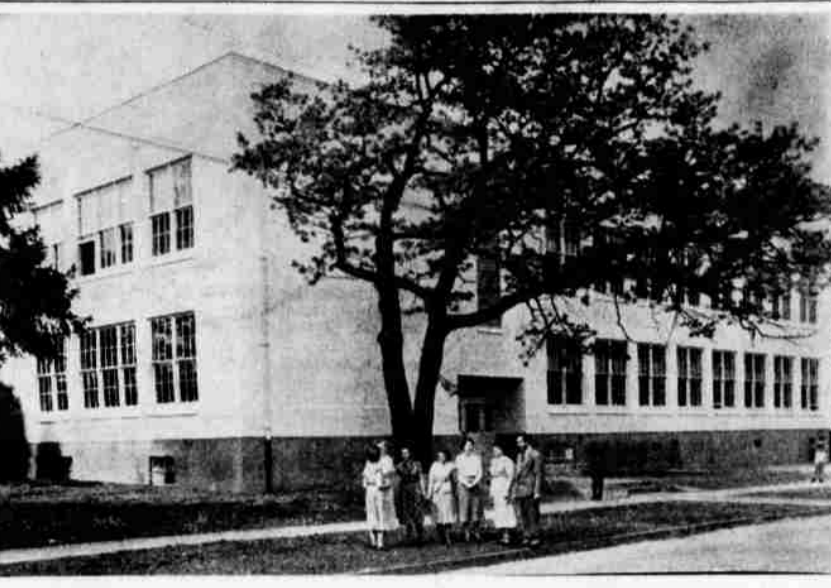
## Oleo Tax Repeal Bill Approved

Washington, April 27 (AP)—The senate finance committee today approved the house-passed oleomargarine tax repeal bill. Its action sends the measure to the senate.

Chairman George (D., Ga.) announced the bill was okayed by a voice vote. He said he had no idea when the senate itself might vote on it in view of the press of other legislation.

Before the committee acted, it rejected 7-6, a rider amendment by Senator Edwin C. Johnson (D., Colo.) to cut excise taxes—such as those on telephone bills, theater tickets and transportation—back to 1942 levels. Virtually all were raised during the war.

The oleomargarine bill would repeal all the 63-year-old federal taxes on the product. These are 10 cents a pound on the colored kind and one-fourth cent a pound on uncolored.



**Bush School to Dedicate New Wing**—Open house at Bush elementary school this evening will commemorate completion of the new wing recently occupied by 180 first, second and third grade pupils in six classrooms and two special education rooms. Teachers conducting classes in the new annex are, from left: Mildred E. Wyatt, Lucile Berndt, Helen Phillipi, Mildred Braaten, Georgia Snodgrass, Hortense Hegstad, Walter Beck, principal.

## \$2,085,127 Budget For Salem School District

Because of the necessity of carrying out a program of repairs, much of which has been delayed since before the war, the cost of additional teachers to keep up with the growth of the district as well as the maintenance of new buildings, a budget which is \$717,475 in excess of the 6 percent limitation was presented by the Salem school district for consideration of the citizens committee Tuesday night. The voters will go to the polls May 20 to pass judgment on the excess.

## Flying Saucers Held No Joke

Washington, April 27 (AP)—The air force said officially today the flying saucers "are not a joke."

But in the same breath, the air force said it is convinced from nearly two years of careful study that there are "no alarming probabilities" in the mysterious aerial manifestations.

On-the-spot inquiries and sober findings have shown simple explanations for many of the things people saw or thought they saw in the sky.

Nevertheless, a paper prepared by the intelligence division of the air material command at Wright-Patterson Field, Ohio, declares:

"The saucers are not a joke. Neither are they cause for alarm to the population.

"Many of the incidents already have answers—meteors, balloons, falling stars, birds in flight, testing devices, etc. Some of them still end in question marks."

The paper added that the "correct tagging of the remaining percentage is still the job of project 'Saucer,' of the intelligence division.

The paper, based on the long air force study, became available today.

## Woman Jailed for Dope Possession

Portland, April 27 (AP)—A woman was held in jail today on a charge of possessing narcotics seized in the safe deposit vault of a mid-town bank.

Federal narcotics agent Charles J. Fahey said Mrs. Mary Watts, 43, was replacing three 8-ounce cans of opium, valued at \$9,500, in the deposit vault box when arrested.

She was held for grand jury action after waiving preliminary hearing on the charge. She refused to post \$4,000 bail.

## Calder to Become Secretary of Army

Washington, April 27 (AP)—Curtis E. Calder, utilities executive, has agreed to become secretary of the army.

Gordon Gray, now assistant secretary, will be promoted to under secretary and serve as acting secretary until Calder can take over the post.

This is the job held formerly by Kenneth Royall.

Calder, chairman of the board of Electric and Share, says he will be ready to take over the top army post within 60 days.

Secretary of Defense Louis Johnson, who had been urging Calder to take the post, was reported to have discussed the matter with President Truman during a White House call today.

**Welfare Tax Election Looms**

Portland, April 27 (AP)—Multnomah county may be asked to vote on a \$2,000,000 special tax levy for welfare fund payments due after July 1. Commission Chairman Frank Shull said that is the amount the county will be expected to raise above the current old age pension cost in the next fiscal year.

# Chiang Returns To Battlefront In Civil War

Predicts Third World War If China Lost To Communies

Shanghai, April 27 (AP)—Chiang Kai-Shek today returned to the battle against communism, forecasting a third World War if China is lost. His country, he said, would be the tinderbox and furnish the men for that war if the Chinese communists win.

The generalissimo pledged to share the hardships of his countrymen "on the brink of disaster." He said he could not disregard his responsibility at such a time.

The statement—his first since retiring from the presidency January 21—was issued from Chikow, his ancestral home. But foreign and Chinese newspapers said he was back in Shanghai, soon perhaps to become another civil war battleground.

**As Director General**

He spoke as director general of the Kuomintang (government) party.

Communist forces swirled around Soochow (Wuhsien), only 50 miles to the west, as Chiang's statement was made public.

Chiang said the communists were seeking to "enslave the Chinese people to the cause of international communism by attempting to make all China the military base and source of manpower for the benefit of the communist plan for world domination."

Chiang promised full support to the government of Li, but pledged to "share the sufferings of my fellow countrymen." Thus he may have chosen this means of coming from retirement to lead China in her battle against communism.

Charles H. Huggins, chapter chairman here, gave out the following statement to rally the community to support of the goal:

"The Red Cross chapter wishes to complete its fund campaign this week. We need \$2,616 more to fulfill our budgetary requirements and we are asking the support of the community to complete this goal.

"The additional cost to maintain this county's share in the new blood program and the necessary program to assist veterans and their families make it imperative that the chapter have the budgetary minimum of \$43,000. The blood program and the home service department are too important to the community to be sacrificed."

## Industrial Output Dropped in March

Washington, April 27 (AP)—Industrial production dropped in March for the fourth straight month and the downswing is continuing, the federal reserve board reported today.

March output, on the board's seasonally adjusted index, fell to 184 per cent of the 1935-39 average compared with 189 in February and 191 in March, 1948. The peak was 195 in October and November last year.

Simultaneously, the board said, prices of industrial commodities dropped generally in March and April, with sharp reductions in metal scrap and non-ferrous metals. Employment in factories also showed a "further marked reduction" in March.

## Four Towns; Three Paper Mills Told to End Pollution

Portland, April 27 (AP)—The Oregon sanitary authority has given four cities 60 days to submit specific schedules for financing and construction of sewage disposal plants controlling stream pollution.

Three pulp and paper mills, one in Salem and two in Oregon city, were also warned of court action unless they took definite action to end pollution of the Willamette river.

The cities are Albany, Sheridan, Toledo and Oswego. A fifth city, Myrtle Creek, was cited to appear July 22 at the next authority session, to answer pollution questions.

The three industrial firms named last night were the Oregon Pulp and Paper company, the Publishers Paper company, and the Crown Zellerbach corporation.

Members of the authority indicated they believe the cities have shown good faith and are making progress in attempts to control pollution of streams. They said they expect sewage disposal problems to be solved by 1952. This is the date fixed for completion of Portland's disposal plant.

Chairman Harold Wendel told a representative of the Oregon Pulp and Paper company, that "the time is rapidly approaching when we must make a court test" of pollution laws. This followed a statement by Nils Teren, company agent, that he is nearing a solution.

# Ask Russia for Details on Lifting Berlin Blockade

U. S. Sends Note for Shifting Negotiations On Formal Base

New York, April 27 (AP)—The United States delivered a note to the Russians here today asking for a formal statement as to when and on what conditions they will lift their Berlin blockade.

The note was taken by Philip C. Jessup, American ambassador-at-large, to Soviet deputy foreign minister Jakob A. Malik. Jessup called on Malik at the Soviet offices on upper Park avenue at 12:30 p.m. (8:30 a.m. PST).

The text of the American communication was not made public, but informed quarters said its main purpose was to shift the Berlin negotiations to a formal basis and get Russia's views down on paper.

**No Views Yet Exchanged**

Previously no views had been exchanged in writing since Jessup first brought up the question in an informal talk with Malik at Lake Success February 15.

Jessup brought the note with him on his return to New York this morning after talks in Washington yesterday with President Truman and state department officials.

Before going alone to see Malik, Jessup met with members of the U. S. delegation to the UN at the American headquarters, 2 Park Avenue. He disappeared later and was understood to have called on British and French representatives to show them the note.

**Clarification Sought**

The American note was understood to seek clarification specifically on two issues: an exact understanding as to what would be involved in any agreement to lift the blockade and a proposed timetable.

A U. S. spokesman said this switch to a formal exchange of notes probably would result in some delay in getting Russia's views. It was expected, he said, that Malik would transmit the American note to his immediate superior here, Deputy Foreign Minister Andrei A. Gromyko, who in turn probably would have to consult Moscow before replying.

## Diplomats Shy At Soviet Offer

Washington, April 27 (AP)—Russia's proposal for lifting the Berlin blockade is regarded warily by top American officials. Caution is obvious even though the state department has informally accepted it as clearing the way for ending that particular battle in the cold war.

Some responsible authorities see the Soviet move as being designed to disrupt the fast moving development of western Germany as a separate state.

And even those diplomats who hope for an early end to the blockade see little prospect for real east-west agreement on all Germany in the follow-up meeting of the big four foreign ministers.

Officials said that the lifting of the restrictions on commerce and travel between Berlin and the western zones, under the terms which Moscow announced yesterday, would be a substantial gain for world peace. The western airlift would no longer be necessary and the tensions growing out of the struggle for Berlin would disappear.

But according to the Russian proposition the restoration of normal communications with Berlin would automatically require a meeting of the council of foreign ministers and this would bring back to the conference table the whole range of issues on which Russia and the western powers deadlocked in the 1947 foreign ministers' conferences in Moscow and London.

## Chinese Reds Seize Putung

Shanghai, April 27 (AP)—Red guerrillas in a surprise coup today seized Putung, right across the Whangpoo river from Shanghai.

At the same time nationalist troops abandoned Soochow (Wuhsien), guardian city for Shanghai 50 miles to the west.

(Red possession of Putung in any strength could make all operations on the Whangpoo, including evacuation of foreigners, hazardous.)

(Right across from Putung Point are the Chinese city council house, and the British and American consulates. The Whangpoo is less than one-fourth of a mile wide there.)



**Burglary Suspects**—Four young men are held in the county jail at Dallas following their indictment by a Polk county grand jury on a charge of burglary not in a dwelling for the theft of a safe from the "Y" cafe. The four were returned Tuesday from Sacramento, Calif., where they were arrested. Shown above, from left, are Sheriff T. B. Hooker, Sgt. Avon Mayfield, Oregon state police; Jasper Boyington, 19, Otis Langley, 21; both of California; Charles L. Gepner, 21, Salem and Douglas Boyington, 19, of California. At the right is Tony Neufeldt, Polk county deputy sheriff. Deputy Neufeldt and Sgt. Mayfield worked together to help solve the robbery and brought the accused men back to Oregon. (Photo by Abel, Dallas.)