

# Protest by Young Fails On Deaf Ears

## State Board Fails to Tell Why Low Insurance Bid Rejected

By JAMES D. OLSON

Formal protest on the award of contract for liability insurance on state cars to the second low bidder was made Tuesday to the board of control by Clarence J. Young, attorney for the Truck Exchange, low bidder.

But the protest apparently fell on deaf ears as the board members took no action at the meeting.

At an unscheduled meeting about 10 days ago the board awarded the contract to the General Insurance company of Seattle through Dooley & Co. of Portland on a bid of \$83,496.52 although the Truck Exchange, which had handled the state's business for the last three years had bid \$74,717.79 or \$8778.73 lower than the successful bidder.

Young declared that after the award had been made, announcement followed that the successful bidder would carry on a safety program costing approximately \$15,000 a year.

Patrol Service Claimed "We have been carrying on a safety program for the past three years that has cost us \$18,000 a year," Young said.

"However, there was nothing in the specifications calling for a safety program nor were my clients told that such a program would be one of the considerations for award of the contract."

Young told the board that three safety engineers employed by his company patrolled the roads and checked on equipment insured by the Exchange.

"Have you made any reports on inspections or observations made on state cars?" asked State Treasurer Walter J. Pearson.

"Yes sir," answered the attorney as he handed Pearson a large sheaf of copies of reports made to the state on operation of state cars and trucks on highways.

Picking up several of these reports at random, the attorney read that one state car was observed traveling through the city of Halsey at 45 miles an hour in a 25 mile an hour zone.

Another report called attention to a state car traveling through a 25-mile zone in Harrisburg at about 32 miles an hour and several other reports gave other infractions of the law by state car drivers.

No Complaints Heard Young declared that during the three years his company had carried the liability insurance for the state, no complaints had been registered with the company by the state on lack of service.

(Continued on Page 5, Column 6)

# 3 Years Prison Term for Todd

Jack O. Todd Wednesday received a three year prison sentence from Circuit Judge George R. Duncan on a charge of larceny of a car belonging to Reinhold Blum.

District Attorney Ed Stadler said he hadn't decided fully what action will be taken toward Todd's attempted jail break earlier in the month when he spent most of the night sawing his way out of the county jail here only to step into the arms of deputy sheriffs as early in the morning he emerged through the severed jail bars.

He indicated he might possibly consider the three-year jail as sufficient for Todd but said he had not fully decided whether the matter would be further considered. Meanwhile Todd's wife is waiting disposition of a charge of possession of narcotics and also of attempting to aid her husband in his attempted jail break.

Clifford Eugene Hummel before the court on a plea of guilty to larceny of an automobile from Scott A. Wheatley was sent to the state hospital for 30 days observation before imposition of sentence.

Richard Fones was sentenced to a year in jail on a non support charge, a previous order of probation rescinded and a new one entered for three years more on probation on condition he make monthly payments of \$50 to his ex-wife Selma Fones to reimburse her for support already given their children. Selma Fones appeared and gave testimony to the effect he had made no payments over a certain period.

Fones himself denied this on the stand and said he had made a payment to her. The court said he was inclined to believe his ex-wife. The ex-wife was brought up from jail to testify. She is under indictment charged with larceny of \$1100 from Willamette university where she was employed.

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# 3 Nations Plan Agreed Upon for West Germany

Washington, June 29 (AP)—The United States, Britain and France published today their formal agreement on three-power machinery to run western Germany, beginning in mid-September.

The agreement specifies that the top allied council, composed of the United States, British and French civilian high commissioners, will have headquarters "at the seat of the German federal government" in a special area directly ruled by the high commission rather than in any zone of occupation.

This means that the western headquarters in Germany will be shifted next fall from Strlebriden Berlin. Presumably it will go to Bonn, which officials here said will be the seat of the projected new German government.

Details Worked Out "The charter of the allied high commission for Germany" is a detailed statement for organization of the western occupation authorities into a single unit for the supervision of western Germany under its new government.

The principles controlling this new organization were worked out in Washington last spring by Secretary of State Acheson and Foreign Ministers Bevin of Britain and Schuman of France.

On June 20, those three, meeting in Paris, signed the formal "charter" which was published today.

John McCloy, resigning presidential secretary for Germany, former assistant secretary of war, will be the United States high commissioner for Germany.

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# Marshall Plan Nations Facing Trade Decision

Paris, June 29 (AP)— Britain faces a showdown today with other Marshall plan nations on how trade should be conducted among the nations of Europe.

The seven-member consultative committee of the organization for European economic cooperation (OEEC) met for a little more than half an hour this morning and decided to turn the whole problem over to the full 19-nation organization later in the day.

An OEEC spokesman described the morning meeting as "just a formal gathering" and said: "The real debate will begin now, and it will probably go on tomorrow."

Stakes in Prestige W. Averell Harriman, U.S. ambassador-at-large for the Marshall plan, attended the consultative committee session.

A spokesman for him denied reports published in London that Harriman had threatened to cut Marshall plan aid to Britain unless the British agreed to American proposals.

The stakes in national prestige and perhaps even national economic stability seems large in comparison with the immediate dollar stakes.

Last week the top economic experts of Britain, France and Belgium met in Brussels but could not resolve their differences. It was a question of the others not being able to reach an agreement with Sir Stafford Cripps, Britain's iron-willed chancellor of the exchequer.

Question at Issue The question is whether each nation will make its own trade agreements with the other nations singly, or will all the nations set up general principles agree on their currency relationships and then take steps toward multilateral trade.

If the cabinet ministers decide that western Europe's economy has recovered sufficiently for the countries to give up dependence on barter agreements, they may vote for free trade among all the nations.

The United States, furnishing the Marshall plan dollars, favors free trade. Belgium, the most prosperous of the Marshall plan countries, would like to see an advance toward that objective.

# 4000 UMW Force Colliery to Close

Madisonville, Ky., June 29 (AP)—The East Diamond coal mine was closed today at the request of Hopkins County Sheriff Ras Gilliland.

This action was taken within a few hours after an estimated 4,000 United Mine Workers from the west Kentucky coal field marched to the mine, operated by non-union workers.

Sheriff Gilliland said he asked the marchers to leave the company property and they refused. He said the situation was beyond his control and he asked the company to close operations.

Spokesmen for the UMW agreed with the sheriff and state police there was no violence. Jess Loveless, secretary of UMW district 23, said he anticipated no trouble from UMW members.

# Judith Coplon's Fate in Hands of Federal Jury

Washington, June 29 (AP)—The Judith Coplon espionage case went to a federal court jury today.

The jury retired to decide the fate of the former justice department worker after listening to instructions by Federal Judge Albert L. Reeves on points of law.

The judge spoke for 25 minutes, repeatedly stressing that the defendant's intent was a major point for the jury's consideration.

Before the judge began speaking, defense attorney Archibald Palmer demanded that he declare a mistrial.

Palmer's move was based on the closing argument of prosecutor John M. Kelley, Jr., who described Miss Coplon as a clever spy in Russia's behalf.

Palmer argued that Kelley's appeal was based on "passion and prejudice."



Strikers Get Work Order—A group of about 50 Berlin railroad strikers sit on bench in rail yard and listen to an official reading a back-to-work order. The 38-day rail tie-up came to an end as these and other strikers went back to their jobs and the Soviet-directed management resumed control of west Berlin stations. (AP Wirephoto via radio from Berlin.)

# Wheat Crop Support '49 Price \$1.96 a Bushel

Washington, June 29 (AP)—The government disclosed today it will support the price of this year's wheat crop at \$1.96 a bushel, on a national average farm basis.

In its price study, the department said that prices received by growers for commercial crops dropped sharply for the fourth consecutive month and were at the lowest level for any June 15 since 1942.

It said the largest price declines for truck crops were registered in tomatoes, lettuce, carrots, onions and cabbage.

Wheat prices dropped again last month and, "a result, the index of prices received for good grains... was at the lowest level since September, 1946," the department said.

Lower prices also were reported by the department for dairy products, feed grains and hay, and oil-bearing crops. The department said livestock prices were up generally and prices received for hogs rose 90 cents per hundred pounds from mid-May to mid-June.

It added, however, that "prices received for meat animals were all lower than a year ago."

The support price compares with \$2 a bushel for the 1948 bushel crop.

The agriculture department, in its mid-monthly report on farm prices, said the average price of wheat received by farmers on June 15 was \$1.86 a bushel. The parity price was \$2.17 a bushel at that time.

The department is required by law to support the price of wheat at 90 per cent of the June parity. That is \$1.96.

Support prices for wheat at various markets throughout the country will be announced by the department at a later date. Some of these will vary slightly from the national average price the government plans to guarantee producers for the 1949 wheat crop.

# Car Keys Stolen Says Mrs. Hiss

New York, June 29 (AP)—Mrs. Alger Hiss testified today at her husband's perjury trial that she believed someone took the keys to the Hiss car and Washington home during the first seven months of 1938.

It was during this period that Whittaker Chambers, courier for a prewar communist spy ring, claims Hiss passed him copies of state department secret papers.

Mrs. Hiss denied she ever typed summaries of department documents as she repeatedly contradicted testimony offered earlier by Chambers and his wife at the trial of the former state department official.

Under direct examination by Defense Attorney Lloyd Paul Stryker she said she "missed a pocketbook" containing keys to the Hiss auto and home on Volta Place, Washington.

Under cross-examination by the government prosecutor, Assistant U. S. Attorney Thomas F. Murphy, Mrs. Hiss said the loss occurred some time during the first seven months of 1938.

"Did you report it to the police?" asked Murphy. "I did not," she replied. Under direct testimony she denied she had ever handed over any of the government's 47 exhibits, including four handwritten notes, to Chambers. She also said she had never given Chambers a key to the Volta Place house.

# Reprisals for Berlin Strike

Berlin, June 29 (AP)—The anti-communist Berlin Railway union charged today that the Soviet-controlled railway management has begun reprisals against men who took part in the crippling 38-day rail strike.

The union said 375 men were fired without notice. The 14,000 strikers reported back to work yesterday.

Officials of the reicheisbahn (railway management) were not available for comment.

The strikers had gone back to work on the promise that there would be no reprisals against the workers.

Rail traffic remained stalled, meanwhile, while crews worked to repair damage caused by the long stoppage. A reicheisbahn official said he could give no definite date for resumption of normal traffic.

The Russians released to west Berlin authorities today seven tons of power plant machinery seized in a truck convoy yesterday. The incident had aroused a British-American protest.

The cargo was sent from Frankfurt to Berlin for construction of a new power plant designed to make west Berlin independent of the Soviet sector.

The need was emphasized last winter during the Soviet blockade of west Berlin, when the western sectors spent nights in darkness. This had made the seizure an incident which was out of the ordinary.

# Colombia Ready To Crush Banditry

Bogota, Colombia, June 29 (AP)—The government warned today it is prepared to crush banditry as reports of new "political" killings reached here from the interior. News dispatches said 16 persons were slain Monday alone.

The current clashes mark the latest round in the old feud between the liberal and conservative parties. The two groups have been warring for years. Each party usually blames the other for starting the row.

The liberals, who lost part of their majority in the chamber of representatives in a nationwide election early this month have declared opposition to all administrative sections of the government. The conservatives, under President Mariano Ospina Perez, control the government's executive branch.

# Salem all Set for Annual Festival During Week-End

While the weather teeters between sunny days and showers Salem's Cherryland Festival board and committees continue making their last minute plans for the annual three-day celebration, opening Thursday.

The changing and uncertain weather are to have no effect on the festival plans officials Wednesday morning declared. If it is just a light Oregon mist the program will continue on schedule. Should there be a day of rain the events will be postponed one day and continued the next day. Only a continued heavy downpour will cause cancellation of any of the celebration plans.

Coronation ceremonies for Queen-Elect Patricia O'Connor hold the limelight Thursday night and also mark the opening of the festival.

Planned for that night also is varied program, including revues by two dance studios, radio impressions by Lyle Lorentz, and the appearance of the Cherryette trio of Miller's department store. This trio consists of Connie Cross, who recently was named Miss Salem, and Patricia Zosel and Barbara Garrett.

Opening the program will be a specialty revue by four students from Merlain Dancing school. Next to be heard will be Lyle

# Public Housing Section of Bill Killed in House

Vote 168 to 165 Knocks Out Provision For 810,000 Units

Washington, June 29 (AP)—The whole public housing section was knocked out of the administration's vast housing bill today—subject to a later vote.

With the aid of some southern democrats, republicans mustered a 168 to 165 vote to knock out on the house floor a provision of 810,000 public housing units to be financed by annual federal payments of \$308,000,000.

The rallying cry of the opponents of the provision was "socialism."

The action could be reversed later.

But even so, it was a tremendous blow to the bill which has been the center of a tough fight all week long.

Rep. Reece (R-Kas) offered the amendment to strip the bill of the public housing section.

On a standing vote his proposal was barely shy of approval. It got 135 votes and a count of the opposition showed 136.

The members paraded down the middle aisle to be counted on a teller ballot.

That changed the result by a three-vote margin.

The GOP maneuver showed surprising strength. A previous republican effort merely to cut down the size of the housing program had failed by a sizeable score.

Before the public housing provision was voted down the bill already had been cut down to senate size—from 1,050,000 to 810,000 units and from \$400,000,000 to \$308,000,000. (Concluded on Page 5, Column 8)

# Warning Given By Ellsworth

Washington, June 29 (AP)—Rep. Ellsworth (R., Ore.) says that passage of housing legislation and other "welfare state" proposals "may touch off a financial explosion that will blast free governments and personal freedom off the face of the earth."

Speaking to the house yesterday during debate on the housing bill, Ellsworth said:

"By passage of this housing bill, by miserable failure of this congress, to date, to reduce the fantastically high cost of government, by passing the other welfare state spending legislation demanded by the president, we are lighting a fuse which may touch off a financial explosion that will blast free governments and personal freedom off the face of the earth."

Ellsworth said that as "I sit in the house day after day and see no slightest indication on the part of the majority in congress, or on the part of the president to cease or at least slow up our march toward national bankruptcy I am appalled."

He said whatever the cost of the housing bill "it means taxes, taxes, taxes for 40 years or more."

Ellsworth said that the people of Europe have aligned themselves with the United States and if the nation fails them "they must turn toward communism."

# \$500,000 Lucky Store Fire

San Bruno, Calif., June 29 (AP)—The huge Lucky store on El Camino burned early today with a loss estimated at \$500,000. It was the largest store in the Lucky chain of grocery and market units.

Lorenz, 19-year-old son of Mr. and Mrs. L. M. Lorenz of route 4, Salem, giving present day radio program impressions.

Lorenz, a graduate of the Salem Senior high school studied radio at the former Salem Junior Playhouse and before going to Chicago for four months of private study with the Jack Podewells, radio performers, did a program for one of the local radio stations. Following his studies in Chicago he toured North Carolina with the Salline Players for two months. Thursday night he will re-enact well-known dramatic moments from radio and give his impressions of several familiar radio programs.

Armstrong School of the Dance, which since the revival of the Cherryland Festival has presented a revue as part of the annual celebration, will again present a revue Thursday night. This to be the final event on that night's program. (Concluded on Page 5, Column 7)

# Labor Leaders Ask Senate to Kill Labor Bill

AFL and CIO Resigned to Keep T. H. Law Until 1950 Election

Washington, June 29 (AP)—The AFL asked today that the senate kill the administration's labor bill, now amended to embrace the Taft-Hartley law's injunction powers.

AFL President William Green wrote Senator Lucas of Illinois the democratic leader, that the action of the senate in adding "national emergency" injunction authority to that bill make it "absolutely unacceptable."

CIO officials, stunned by yesterday's senate action, already had resigned themselves to keeping the Taft-Hartley act for two more years.

Arthur Goldberg, CIO general counsel, told a reporter "we might as well face the fact that we have the Taft-Hartley act until after the 1950 elections."

Green said a meeting of AFL union representatives this morning unanimously approved a move by Lucas to bring a speedy end to the senate labor debate.

"We feel that amendments designed to make the Taft bill more palatable would be useless and a waste of time," Green wrote Lucas.

Lucas had Green's letter read to the senate by a clerk. Senator Taft (R., Ohio), who got in the injunction amendment, lit into Green in a speech.

Taft said the AFL president's letter was "probably the most presumptuous statement that any individual has ever made to the senate of the United States."

"Mr. Green is undertaking to veto the senate bill before it is passed."

Taft spoke also of Green's "orders to those in the senate who want to follow the AFL." That brought from Lucas a declaration that "there isn't any labor leader going to lay down a program for the senator from Illinois."

Taft said he is out to make improvements in the Taft-Hartley law that labor should "welcome."

For Campaign Issue Taft said labor leaders are going to reject his proposed improvements in order to make the Taft-Hartley act an issue in the next election campaign.

"But they can't make an issue of it," the senator exclaimed. "We can point out in every complaint they made, we listened to them and made changes."

Taft is up for re-election in 1950. (Concluded on Page 5, Column 8)

# Brown's Show Window Looted

For the second time in three months, a show window at Brown's jewelry store on North Liberty street was smashed in Wednesday by a thief who apparently made a clean getaway with loot valued at \$210.25.

A detective's report of the affair timed the event at 1:36 a.m. when a rock was heaved through the south display window at the west entrance to the establishment.

A total of five rings and a wrist watch were snatched by the thief before he slipped away. Although a police prowler car was only a block and a half away at the time, the escape was successful.

The window looting Wednesday differed from the affair on March 21 in that the alarm system was in operation and brought all of the police cars to the scene within minutes. A greater quantity of loot—estimated at \$5,000—was taken in March in view of the fact that the jewelry store had a costly display of diamonds in the window during the spring treasure hunt in Salem.

Despite the fact that Dr. Harry A. Brown, owner of the shop, posted a reward for information which might lead to the identity of the treasure trove burglar in March, no clue was ever reported to police.

# Boise Picked for 1950 Safety Meet

Portland, Ore., June 29 (AP)—Boise, Idaho, will be site of the 1950 conference of the Western Safety Council, the board of governors announced here today.

The board accepted the invitation of Gov. C. A. Robins to hold next year's session in the Idaho capital. The council was completing its 1949 conference here today.

Paul V. Black, safety director of the Idaho Compensation company, Boise, was elected president of the council last night.