

End Deadlock on Marshall Plan

Paris, July 1 (AP)—A compromise financial agreement to ease European trade under the Marshall plan broke an Anglo-American economic policy deadlock early today.

Nineteen European nations trading under the Marshall plan approved the compromise in principle at 2 a. m. (9 p. m. Thursday, EDT) after eight hours of stiff negotiating, principally among the United States, Britain and Belgium.

The agreement will be incorporated into a new intra-European payments agreement to replace that which expired last midnight. Experts of the 19 European nations will meet at 5 p. m. (noon EDT) to put the agreement into writing.

To contribute to the compromise, the United States dropped its demand that proceeds of Marshall plan trade be convertible into dollars. Britain, for its part, abandoned its stand for bilateral trade only.

The agreement provided that Marshall plan nations grant each other may be used to shop in any member nation rather than exclusively in the country which makes the grant.

Ford Asks UAW To Skip Raise

Detroit, July 1 (AP)—For a second time the Ford Motor Co. today asked the CIO United Auto Workers to skip their wage and pension demands for 18 months.

Ford, repeating its wage-freeze proposal, told the union it was "convinced" that the company plan was the "best possible answer to our problem."

There was no immediate reply from the union.

On the first occasion, June 18, the UAW rejected the proposal.

At that time union President Walter Reuther termed it "unrealistic" and said also that it was "counterfeit security" for Ford's 106,000 workers.

In a letter to Reuther today Ford Vice President John S. Bugas repeated arguments which he said were "in the interest of employee security."

"We must continually remind you," Bugas said, "that our ability to provide well-paid jobs depends on our ability to sell automotive products."

The Ford statement came on the heels of Chrysler's refusal to discuss \$100 monthly pensions and a health and welfare program with the UAW.

Beran Spurns Offer of Guard

Prague, Czechoslovakia, July 1 (AP)—Archbishop Josef Beran has spurned the communist government's offer of a "protective guard."

Reliable sources said Vladimir Houska, in charge of government agents in the archbishop's palace, offered to supply a guard if Msgr. Beran would take his usual summer vacation at a castle outside Prague.

The archbishop was said to have refused. He let it be known that he intends to remain in Prague because of mounting church-state tension.

Msgr. Gennaro Verolino, Vatican representative in Prague and another target of the state's anti-church campaign, informed the Czech foreign office yesterday that he soon will leave Prague.

At the same time, he protested against his treatment by police during a recent five-day tour of Slovakia, scene of anti-government Catholic riots last Sunday.

Msgr. Verolino said he was ordered to the Kosice police station, where his chauffeur and a priest accompanying him were questioned. He said he was unable to get gasoline for his car and had to spend two nights in the automobile because he could not obtain a hotel room.

Berlin Faces Bankruptcy

Berlin, July 1 (AP)—Berlin was threatened with municipal bankruptcy today as a hangover from east-west strife.

A prospective budget deficit of 321,000,000 west marks (\$96,300,000) plagued the allied-recognized city government just as its railway strike troubles ended.

Soviet-controlled elevated passenger trains resumed operation in western sectors early today, 41 days after they were tied up by the strike of an anti-communist rail union.

Bradley Visions Army Tension

Ft. Leavenworth, Kas., July 1 (AP)—Gen. Omar N. Bradley said today this country must "anticipate a long period of tension" in its military planning.

The army chief of staff, in a talk delivered before graduation exercises at the Command and General Staff college here, said "militarily speaking, the situation is as stable as it is going to be for some time to come."

"In the four years since V-J day," he said, "I think the advantage has swung to our side and that the aggressor, who was once a friend, is now on the defensive."

"Rather than expect a long period of friendly cooperation, however, we must anticipate a long period of tension, with alternating day-to-day improvements or setbacks, which must not be allowed to destabilize the long-range plans for security."

The general spoke before a class of 416 officers—365 from the United States and 51 from other countries.

Ex-wife of Hiss Can't Testify

New York, July 1 (AP)—Federal Judge Samuel H. Kaufman today refused to permit the former wife of Communist Gerhart Eiser to testify in the Alger Hiss perjury trial.

The judge made his ruling after nearly two hours of discussion between opposing counsel in the judge's chambers.

The prospective witness, Mrs. Eisele, was to have testified for the government in rebuttal to Hiss' testimony. Her former husband, once described as America's number one Communist, recently fled this country as a stowaway on the Polish liner Batory.

Her present husband is Paul Massing, a writer and lecturer in sociology at Rutgers university.

Hiss, in his testimony, had asserted that he had never met Mrs. Massing.

John Foster Dulles, who appeared as a rebuttal witness yesterday, contradicted a part of Hiss' testimony.

Taking the stand shortly after the defense rested its case, Dulles testified yesterday that last August he asked Hiss to quit as head of the Carnegie endowment for international peace.

Hiss had testified earlier that Dulles never made such a request.

Hawaii Strikers Reject Offers

Honolulu, July 1 (AP)—Honolulu stevedores overwhelmingly turned down a plan for ending Hawaii's crippling waterfront strike yesterday. Their comrades elsewhere in the islands are expected to follow suit today.

The peace plan, advanced hopefully by a fact-finding board and accepted reluctantly by employers, was batted down 826 to 59.

The board proposed a raise of 14 cents an hour. The workers in striking 52 days ago demanded 32 cents on top of their current hourly wage of \$1.40.

Wearily, Acting Gov. Oren E. Long said he would ask the two sides to resume collective bargaining. "Surely, there must be some way this strike can be ended," he added.

The CIO International Longshoremen's and Warehousemen's union, however, indicated it was preparing for a long struggle.

Harry Bridges, union president, is flying from San Francisco Tuesday or Wednesday to take over personal direction of the strike.

ILWU Official Henry Schmidt declared if violent attempts were made to break the strike, longshoremen along the whole Pacific coast would shut down.

Stevedores cheered a message from Bridges saying \$2,500 was coming at once for strike relief. More financial support was promised from Portland and San Francisco stevedores.

Mrs. Scott Hostess

Silverton—Mrs. Peggy Scott, R.N., employed as office receptionist for many years in Silverton, and planning to make her home in Portland with a sister, Mrs. Helen Hammond within a short time, entertained in a luncheon at her West Main street home for fourteen of her former business associates, Mrs. Scott's sister, Mrs. Hammond, is in poor health.

Green Guards Alerted

All most 20,000 Green Guards, who are from 8 to 16 years old, are on the alert to prevent fireworks from setting fires in dry grass and forest lands.

Schools Boost Jobless List

Washington, July 1 (AP)—The June wave of school-age youths seeking jobs boosted unemployment to a seven-year high of 3,778,000.

Reporting this today, the census bureau said two out of three of the new job-hunters managed to find work. So the number of employed also rose, reaching 59,619,000. This is tops so far for 1949 and barely below the one-time goal of "sixty million jobs."

Compared with May, these were the basic changes in June: The labor force increased by 1,415,000, employment went up 925,000 and unemployment increased 489,000.

The June total of jobless was the greatest since the 4,000,000 figure in February, 1942.

The statistics looked better than some government experts had anticipated. They had feared the 4,000,000 mark in unemployment might be topped in June.

Of the 925,000 additional jobs developing in June, 721,000 were on farms and 204,000 elsewhere.

The increase in non-farm jobs was a cheery development. It ended a steady decline that began in December and has been the main point of concern over the labor situation since the decline reflected reduced industrial production and factory worker layoffs.

Agency Funds Assures Pay

Washington, July 1 (AP)—Eleventh-hour congressional action assured a number of government agencies today of operating funds at least through this month.

A house-adopted resolution providing the money won senate approval yesterday and was promptly signed by President Truman.

It was necessary because congress has not yet completed action on regular money bills totaling about 75 percent of the Truman budget for the 1950 fiscal year which began at midnight.

Agencies depending on these funds now will be able to continue spending for one month at the lowest rate mentioned by the house, senate or the budget.

Meanwhile the veterans administration said half a million World War II veterans in schools and colleges will have to wait a few days for their subsistence checks because of a temporary shortage in agency funds.

Czechs Beat Red Police to Death

Prague, July 1 (AP)—At least two communist policemen were beaten to death and an undetermined number injured in rioting between Roman Catholic faithful and government adherents in Slovakia recently, according to reliable reports reaching high diplomatic sources here.

These sources added that the situation in this intensely-Catholic province now appeared quiet on the surface. But they were inclined to give credence to reports that at least small partisan bands of Catholics had been formed there to stage violent resistance to the communists in the church-state fight.

To hush up the situation, diplomatic quarters said, the government was restricting travel into Slovakia.

Other developments in the church-state war were:

1. Disclosure that the Czechoslovak foreign ministry so far has ignored a protest delivered by the diplomatic corps here about the forcible detention earlier this week of Msgr. Gennaro Verolino, Vatican diplomat.

2. Msgr. Josef Beran, archbishop of Prague and the nation's primate, is staging a virtual "sit-down strike" in his palace, refusing government suggestions that he leave for a summer holiday.

McCall Assumes Duty

Thomas Lawson McCall, Portland radio news commentator, assumed his duties today as private secretary to Governor Douglas McKay.



Champion Fire Team Entertains—Entertaining on the courthouse square at noon Friday was this champion drill team from the Salem fire department. The team won the state title at Baker last year. The personnel is Len Jasvey, Don Morley, Allen Snyder, Tom Stettler, Jerry Hall, and Clyde Bucholtz. They will entertain at the Fair grounds Saturday night.

76 Defendants In Optical Suit

Chicago, July 1 (AP)—Federal Judge Walter J. Labuy today let the government name 76 new defendants in its anti-trust suit against the Bausch and Lomb Optical company.

The suit accused the optical firm and its four affiliates with paying rebates to eye doctors (oculists) to aid sales of eyeglasses and other optical goods. The suit, filed in 1946, also named several thousand eye specialists as defendants.

The new defendants named today are newly-organized optical goods firms and their owners. The government contended the firms were all set up by Bausch and Lomb after the suit was filed in 1946.

Attorney Thomas Tyler, representing Bausch and Lomb, objected to naming of the new defendants. He said New York attorneys for Bausch and Lomb are now conferring with department of justice officials in Washington about a possible out of court settlement of the suit.

The new defendants included Lyall J. Gardner, 315 Eugene Medical Center building, 140 East Broadway, Eugene, Ore.; Kenneth H. Robinson and John W. Henson, 430 Medford Center building, 33 North Central street, Medford, Ore.; C. E. Swan (Physicians' Optical Service) 238 Morgan building, 720 S.W. Washington street, Portland, Ore.

Sherman Optical company, 1520 Fifth avenue, Seattle, and John Sherman, president, 1520 Fifth avenue, Seattle; Gen. L. Spavis, 403 Paulson building, Spokane, Wash.; Fred L. Wahlers, 417 Medical Arts building, 740 Helens avenue, Tacoma, Wash.

WAA Goes Out Of Surplus Sales

Washington, July 1 (AP)—The government closed up shop today on what once was the nation's biggest merchandise bargain counter.

The war assets administration went out of business after handling disposal of surplus property with an original price tag of \$27,000,000 during its often hectic four-year existence.

Final agency records showed a return to the treasury of about \$4,250,000 from WAA transactions. That's about 22 cents received for every dollar spent on the mountains of combat-essential commodities and properties which ranged from multi-million dollar war plants to canned beef.

The thousands of war leftovers in which the agency did a land office business through regional salesrooms from coast to coast are now largely in private hands.

DANCE JULY 4TH

Aumsville Pavilion
Music by Tommy and His West Coast Ramblers
In Aumsville
9:30-12:30 DST
10 Miles South of Salem

ST. PAUL RODEO DANCE

with the new "TOPHATTERS"
Popular Oregon Swing Band
FRIDAY, JULY 1st
and Dancing Nightly
July 2nd, 3rd & 4th
ST. PAUL RODEO PAVILLION

14th ANNUAL ST. PAUL RODEO

Thrills • Spills!
Dancing Nightly!
\$7,000 PRIZE MONEY
Top Cowhands

Tickets Now on Sale
STEVENS & SON

Floating Bridge Open, Seattle

Seattle, July 1 (AP)—A plain nickel, a simple five-cent piece, opens the Lake Washington floating bridge, one-time engineering wonder, to free use tomorrow.

The 1 1/2-mile long span, floating on concrete pontoons and bringing a transcontinental highway into the city, will be paid for in full. All tolls will be taken off, 18 years ahead of the time the state and private financiers counted on.

Nine years to the day since the bridge was first opened to traffic, July 2, 1940, Gov. Arthur B. Langlie will snip a ribbon. He and other state and civic figures will then get the first free ride across the lake.

To Miller Freeman, publisher of industrial magazines and Bellevue banker active in east side Lake Washington activities, has been given the honor of paying the last nickel. He will pass it along to Governor Langlie.

The financing of the bridge project, including approaches and tunnels and relocation of part of the cross-state highway, was through a \$3,934,875 PWA grant and state toll bridge revenue bonds for \$5,800,000.

Charles Andrew, chief consulting engineer in its construction and also chief engineer previously for the San Francisco-Oakland bay bridge, said today the bridge should last indefinitely if properly maintained.

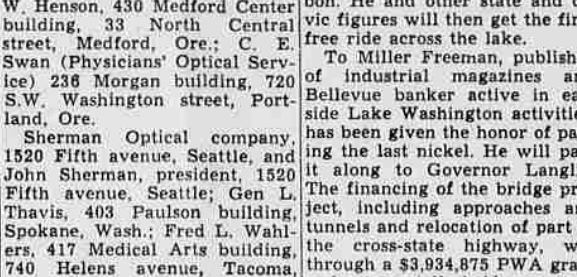
Postwar Board Dies

The state postwar readjustment and development commission, died today. It was created five years ago, and has been headed by John W. Kelly. The recent legislature decided to end it.

The flag should be displayed daily, weather permitting, on or near the main building of every public institution.

Cottonwoods PRESENTS IN PERSON

Eddie Kirk



and His WESTERN ALL STARS

Saturday, July 2
Dancing 9 to 1

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DOUBLEHEADER BASEBALL

Tonite at 7 O'Clock
SALEM SENATORS vs. YAKIMA
Waters Field
25th and Mission

DANCING NIGHTLY

at ST. PAUL RODEO
FRI.-SAT.-SUN.-MON.
Music by TOP HATTERS
Open-Air Pavilion

IF IT'S AT THE EL SINORE IT'S THE BEST SHOW IN TOWN!

WARNERS EL SINORE

PHONE 3-5798 • SHOWPLACE OF WILLAMETTE VALLEY

NEW TODAY!

This is the day they were married...

A STORY OUT OF THE HEROIC VASTNESS OF THE

Colorado TERRITORY

A NEW HIGH IN HIGH EXCITEMENT FROM WARNER BROS!

starring JOEL VIRGINIA MCCREA MAYO
Directed by RAOUW WALSH
Produced by ANTHONY VEILLER
Written by John Twist and Edmund H. North

AND!

IT'S CLIPPERS TO THE WIND... AND ADVENTURE-HO!

DOWN to the SEA in SHIPS

starring RICHARD WIDMARK LIONEL BARRYMORE
Directed by HENRY HATHAWAY • LOUIS D. LIGHTON

CARTOON—NEWS

THEIR day of days becomes a death-hunt—in the Rockies' lost "City of the Moon"

MA and PA KETTLE
Marilyn Perry
MAIN • KILBRIDE
& James Fenimore Cooper's "THE PRAIRIE"
ALAN BAXTER
LENORE AUBERT

LIBERTY
NOW! OPENS 6:45 P. M.
Maria Montez
"TANGIER"
Franchot Tone
"RETURN OF VIGILANTES"
KARTEEN KARNIVAL
Tomorrow at 12:30 with Reg. Show!

cism from some senators of administration policy toward China. Twenty-one senators sent president Truman a protest last week against establishing diplomatic relations with the expected communist regime.

There has been no reply yet from the president but presumably his response will be based on the promise to consult and the fact that no decision has been made as yet.

The flag should be displayed daily, weather permitting, on or near the main building of every public institution.

Cottonwoods PRESENTS IN PERSON

Eddie Kirk



and His WESTERN ALL STARS

Saturday, July 2
Dancing 9 to 1

THE SALEM DRIVE-IN Theatre

Tonite & Saturday
Free Sheland Pony Rides for the Kiddies Starting Daily at 2 p.m.
Burt Lancaster Yvonne DeCarlo "CRISS CROSS"
Roy Rogers "GRAND CANYON TRAIL"—COLOR

GRAND

Mat. Daily From 1 P. M.
NOW SHOWING!

THE LAST BANDIT

WILLIAM ELLIOTT • ANDY DEVINE
JACK HOLT • FORREST TUCKER
THRILL CO-HIT!

BOMBA The JUNGLE BOY

STATE
Opens 6:45 P. M.
MOVED OVER!
Now Showing!

MA and PA KETTLE

Marilyn Perry
MAIN • KILBRIDE
& James Fenimore Cooper's "THE PRAIRIE"
ALAN BAXTER
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