

THE WEATHER HERE

PARTLY CLOUDY tonight and Friday with continued mild temperatures. Lowest expected to-night, 48; highest Friday, 78.

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WCAL Officials Fail to Appear For Conference

Scheduled Meeting Therefore Indefinitely Postponed

By MARGARET MAGEE It will be next week or later before West Coast Airlines officials have their conference here with local officials, representatives and the Chamber of Commerce, newspaper representatives and firms and persons using airline service out of Salem.

Originally scheduled for Tuesday afternoon, the conference late Monday was postponed until Wednesday to permit the company, proposed by the CAB as a substitute for United Airlines which has served Salem since 1941, to bring a new plane into Salem for exhibit.

The meeting was indefinitely postponed when the plane, a DC-3 equipped with a rear baggage pit, failed to arrive Wednesday afternoon with H. A. Munter, executive vice president of the company; E. B. Code, operations manager; Russell Bath, chief pilot; and C. L. Bagund, assistant traffic manager.

West Coast was not without representatives in Salem, however. Here from Seattle were Bob England, general traffic and sales manager, and Norman Hunt, station manager for the company at McMinnville.

These two representatives, both of whom had planned to meet the new plane in Salem and attend the conference here, a short time before 4 p.m. (standard time), the time set for the plane's arrival, were informed that it would not arrive on schedule.

Shortly afterward England received word that the plane had left Van Nuys, Calif., a suburb of Los Angeles, at 2:45 p.m.

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Allot \$25,000 to McNary Field

Salem has been given an allotment of \$25,000 by the Civil Aeronautics Administration for improvements at McNary field.

This word was received late Wednesday afternoon by the Salem Chamber of Commerce in a telegram from Rep. Walter Norblad, who also stated that the money was to be matched by local funds amounting to \$19,000.

A telegram to Jack Bartlett of the state department of aeronautics from Sen. Guy Cordon contained the same information and indicated that a story would be released by the CAA in Washington Saturday giving the project for which the funds were to be used.

Neither City Manager J. L. Franzen nor the local CAA office had received any word of the project for which the funds had been allotted. Franzen, however, stated that the city would not be able to match the funds until it received its money from the government on the recently completed project at McNary field.

When these projects are undertaken the city supplies the money for the government's share, as well as the city's and later is reimbursed by the government. It will be the money from the government's share of the recently completed project at the air field that the city will have to use for match money for the new allotment.

Simpson Says Picture Puts Him in Bad Light

The Capital Journal hereby makes amends to Glenn Simpson who was in a group whose pictures appeared on the front page of this newspaper July 7.

The police the previous night had made a raid and confiscated several slot machines and other devices at Eagles hall.

The officers needed additional help to carry the equipment away and telephoned to headquarters for some prisoners to be brought to the hall to give a hand. Simpson was in police custody that night and was one of those sent. The caption under the picture implied that he had something to do with organizing the raid, and he did not give the police any information," said Chief of Police Clyde A. Warren.

Governor Asks For Economy All Down Line

Speaking to 25 Department Heads Asks Budgets Be Scanned

By JAMES D. OLSON Economy in the operation of state departments was demanded by Governor Douglas McKay, speaking to 25 department heads under his jurisdiction.

The governor told the department heads that they should "scan their budgets carefully" and "see to it that taxpayers get their money's worth out of every dollar spent."

Following the governor's talk the officials agreed to meet once every three months to go over their budgets and discuss mutual problems.

Duty of State Heads "I believe it to be the duty of every department head to save in state expenditures whenever and wherever possible just as he endeavors to save in his household outlays," the governor said.

Governor McKay, recently returned from a Pacific coast intergovernmental conference in San Francisco, said that, percentage-wise, Oregon had the smallest unemployment total of any state.

He said that Oregon had recovered from its midwinter slump and, although a dip might be expected in the fall, he found the local and national economic picture far from discouraging.

Get By on Less Money "Even so, the governor said, it is important for state departments to get by on less money, whenever feasible. We should spend more wisely without waste for the things the public needs."

"Necessary functions should be maintained but the frills must go," he added. He expressed the hope that the continued drop in commodity prices would result in savings in many state purchases.

The governor also touched on out-of-state travel by state officials, which has been on the upgrade, declaring that such travel should be guided by the old slogan, "Is this trip really necessary?"

It was the governor's position that cuts in state operating expenses should not "come out of the hides of state employees."

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Defenses for Alaska Planned

Washington, July 21 (AP)—Secretary of Defense Johnson assured senators today that adequate plans for defending Alaska are in operation but he asked to tell about them at a secret session.

Johnson appeared before the senate armed services committee to urge quick approval of \$643,000,000 worth of construction projects for the army, navy and air forces. The work would be done both in this country and overseas.

He said these represent the "most strategically and critically necessary public works projects," including buildings for defense installations and special research.

Senator Knowland (R., Calif.) raised questions about the Alaskan defenses. Numerous other congressmen recently have been questioning means for protection of this point of United States territory nearest Russia and Asia.

Churchill Blames FDR For Surrender Policy

London, July 21 (AP)—Winston Churchill placed on the late President Roosevelt today the full responsibility for the "unconditional surrender" policy regarding Germany, and admitted that the British cabinet would have rejected such a policy.

Mr. Roosevelt made the "unconditional surrender" statement at Casablanca without consulting him, the wartime prime minister told the house of commons.

Churchill conceded that he had "not the slightest doubt" that the British government would have turned down the policy if the cabinet had been consulted in the matter.

The secrets of the Casablanca conference came out in common debate on foreign policy, marked by an angry exchange between Churchill and Foreign Secretary Ernest Bevin.

Bevin sought to lodge a major share of blame for the sad state of affairs in Germany upon the "unconditional surrender" declaration of Churchill and Mr.



Plane Crash Fatal to Seven—Tail section of a non-scheduled C-46 airliner lies among damaged and burned homes in suburb of Seattle, Wash., where the plane crashed on take-off from Boeing field. Five structures were destroyed or damaged as the plane burst into flame. Thirty-three persons were injured. Some of the dead and injured were occupants of the homes. (Acme Telephoto)

House Votes Kills Brannan Farm Bill

Washington, July 21 (AP)—The house today tentatively approved the Gore bill killing the administration's trial-run Brannan farm subsidy plan and continuing the present rigid high supports for farm prices for another year.

Hadly rejecting the administration's mill run farm subsidy bill. The Aiken act was to become effective at the end of this year. A coalition of democrats and republicans took charge of the house to ram through the substitute for the administration bill authored by Rep. Gore (D., Tenn.), leader of the coalition.

The vote was by voice, subject to a later roll call. By the vote the house stood for continuation of the farm program under which major farm crops are supported at a rigid 90 per cent of parity price through government loans and purchases to keep price-depressing surpluses out of the commodity markets.

There were only a few scattered "nays" in the vote to kill the Aiken act.

Many republicans joined democrats in the vote to destroy the law authorized by Senator Aiken (R., Va.). The measure provided for a flexible 60 to 90 per cent of parity price support program for major crops beginning next year.

There was bitter debate before the house got down to voting. Rep. Pace (D., Ga.), argued that the whole issue is "whether your government will continue to buy food and destroy it."

Pace is the author of the administration's new farm bill which would permit a three-crop trial run of the Brannan subsidy plan.

Shortly after he spoke, however, Rep. Gore (D., Tenn.), formally laid before the house his substitute measure and called for a showdown vote on it.

Senate Holding Up Confirmations

Washington, July 21 (AP)—President Truman said today it seems to be the policy of senate judiciary committee to hold up his appointments of federal officials.

That was his reply when asked at a news conference for comment on the committee's delay in passing on the nomination of Carol Switzer to be a federal district judge in Iowa.

Senator Gillette (D., Iowa) has protested Switzer's selection, made against Gillette's recommendation. It has kicked up a fight in the judiciary committee.

L A Plans War On Gangsters

Los Angeles, July 21 (AP)—The state, county and city merged forces today to fight an upsurge of gang warfare which climaxed with the shotgun blasts that felled Gambling Boss Mickey Cohen and three other persons.

The victims, including Harry Cooper, special agent assigned by the attorney general's office to protect the dapper, little Cohen, are recovering from their wounds.

An emergency meeting of top state, county and city law enforcement officers was called here yesterday after the early-morning blaze of gunfire on the swank Sunset strip shocked this "City of Angels."

Attorney General Fred Howser, who flew from San Francisco to attend the meeting, said last night that Cohen's lawyer, Sam Rummel, has named the persons who he believes fired the shots.

"But I am in no position at this time," Howser said, "to disclose the names of these persons. That would be aiding the suspects."

Crowds Flock To View Debris

Seattle, July 21 (AP)—Block-long Harney street was like a "carnival of death" today as crowds of curious milled through the debris-laden area to see the destruction wrought by a crippled non-scheduled twin-engine C-46 airliner.

Police Chief George D. Eastman estimated that more than 30,000 persons jammed the area in a three-hour span last night, less than 24 hours after the plane carried its 32 occupants on a death-dealing plunge through power lines and into five southside homes.

Peanut, ice cream and popcorn vendors had a bonanza. Meanwhile, the death toll stood at seven. Five of the victims were residents of houses struck by the plane. One was a plane passenger and the seventh body, still unidentified, is presumed to be that of a plane passenger not accounted for.

The latest death was that of Pete Chumous, 66, of Seattle. Thirty-one persons were injured.

Amos E. Heacock, president of Air Transport Associates, Inc., owners of the ill-fated plane, said last night the company had been cleared by civil aeronautics administration authorities for continued operations.

"Full operations of all aircraft in our fleet has been resumed," he said. The company has four other C-46s in its fleet.

Chinese Reds Near Changsha

Canton, July 21 (AP)—Nationalist China's comeback hopes, aroused by the visit of Chiang Kai-Shek to Canton, were dimmed today by news from the Central China front.

Private reports placed the communists only 20 miles north and east of Changsha, capital of Hunan province.

The reports suggested the city would be abandoned without a fight.

Nationalist troops in Hunan, like those in Hubei and Kiangsi provinces are commanded by Moslem Gen. Pai Chung-Hsi, former minister of defense. He is estimated to have 200,000 men.

Salem's Miss America Entry Off For Seaside

Miss Connie Cross of Miller's, daughter of Mr. and Mrs. Olin Cross of Salem will leave today for Seaside to compete in Seaside's annual Miss America pageant to select Miss Oregon.

The program will be for three days, beginning Friday, ending Sunday with the grand parade and the finals in judging. The contestant chosen will be eligible to enter the Miss America pageant at Atlantic City on Labor day.

Born and reared in Salem, Miss Cross is a typical Oregon girl. She loves the great outdoors and is expert in swimming, riding, dancing and lists her talents as singing and oration. She has ambition for modeling, having participated in many fashion shows in Salem.

Her talents listed in the finals will be a song followed by a speech on "Why I Like My Home Town."

On Sunday, the Cherrians will act as honor guard for Miss Salem during the pageant parade. Many Salem people have signified their intentions of attending the contest which is one of the biggest crowd gathering events of the year at Seaside.

Judges for the Miss Oregon pageant have not yet been publicly announced.

Truman Silent On Atomic Bomb Sharing

Permit Vaughan To Testify on '5 Percenters'

Washington, July 21 (AP)—President Truman said today that his army aide, Maj. Gen. Harry H. Vaughan has permission to testify if he is called before the senate committee inquiring into operations of "five percenters."

The president declined to comment, at a news conference, on a story that he had decorated Vaughan in a mock ceremony after the general's recent brush with newsmen in Washington on the five percenters question.

Asked if he had given Vaughan a medal on that occasion, he said he simply had no comment.

Silent on Medal At the same time, the president said he has always favored inquiries to see that outsiders are not used to obtain government contracts and that that is part of his continuing policy.

The president said he does not believe Gen. Vaughan was mixed up in the operations which brought about the congressional inquiry and the suspension of two two-star generals.

He said he had read suggestions of that sort in the papers about Vaughan but did not believe them.

A reporter said Vaughan was reported to have said he believed 300 five percenters were operating in Washington.

Mr. Truman said he doesn't know anything about it if such operations are going on.

Says No Secrets A newsman said that reporters trying to get information had been checkmated in official circles.

Mr. Truman laughed and said he had not tried to checkmate them, that he gave them all the information he has.

And he quipped that there are no secrets around the Blair house.

Senator Hoey (D., N.C.) said today there is a possibility that Vaughan may be asked to testify in the senate inquiry.

Hoey is chairman of a senate expenditures subcommittee that is completing plans for a public inquiry into allegations of the use of influence in the awarding of government contracts.

The term "five percenters" has been applied to persons who help manufacturers get government contracts for a fee. There have been charges that some of those persons have claimed influence with government officials.

O & C Timber Auctions Portland, July 21 (AP)—Oral auctions upstate and a sealed bid sale here will offer \$168,616 worth of Oregon-California timber next month. Auctions will be at Eugene Aug. 16 and Salem and Bend Aug. 17.

Atlantic Pact Debate Ends Senate Voting

Washington, July 21 (AP)—The senate will begin voting on amendments to the North Atlantic Pact at 2 p.m. (PDT) today, with the final vote to follow. There probably will be four roll calls, each requiring about ten minutes.

Senator Wherry, the republican floor leader, told the senate that before approving the North Atlantic Pact it should "close the door" against giving the atom bomb to other members.

With a vote only hours away, the Nebraska senator said he is concerned that the treaty may obligate this country to let others in on A-bomb secrets.

At President Truman's news conference, held shortly before the senate met, a reporter had mentioned the stand Wherry was taking.

Mr. Truman brushed it off with the comment that Senator Wherry has "a lot of ungrounded fears about the treaty which I'm not interested in."

Italy Ratifies Atlantic Pact

Rome, July 21 (AP)—The Italian chamber of deputies ratified the Atlantic pact today over Russian protests.

The vote was 323 to 160. This was the second time the chamber voted. The first vote was nullified early today when the votes outnumbered the voters.

The senate still must act. The Christian democratic party, with its allies, has a safe margin in the senate and ratification there is considered a foregone conclusion.

After the senate acts, signature by President Luigi Einaudi will complete the ratification process.

The announcement of the vote in the chamber was greeted with silence from the communist side, which has carried on a bitter campaign against the pact.

Yesterday the Soviet Union handed Italy a note charging that adherence to the alliance would violate the Italian peace treaty.

Canada Not to Make A Bombs

Ottawa, Ont., July 21 (AP)—Canada knows how to make the atomic bomb, but doesn't intend to, government officials said today.

Discussing American top-level discussions about sharing atomic secrets with Britain and Canada, Acting Prime Minister C. D. Howe said:

"Canada has asked for no information on atomic energy from the United States."

Howe, Canada's minister of trade and commerce and the cabinet minister responsible for all atomic energy research, is acting chief executive during the vacation absence of Prime Minister Louis St. Laurent.

"We could make a bomb if we wanted to," Howe said, "maybe not as good as the American one, but a good bomb, nevertheless."

He emphasized, however, that Canada is not interested in producing atomic bombs, but instead is working on peacetime atomic energy uses.

"We're still selling uranium ores to the United States, and we're still exchanging certain classified information on atomistics research and developments with them," Howe said.

"There is, of course, some classified information we don't get—for example, how to make the bomb," he added.

Typhoon Heads East Manila, July 21 (AP)—A typhoon with winds of 120 miles an hour near its center headed toward Formosa tonight at eight miles an hour. At midnight the typhoon was expected to be 460 miles east northeast of Aparri, on the northern tip of Luzon island.

No Cause for Alarm in Secret Policy Meeting

Washington, July 21 (AP)—President Truman today flatly refused to say whether this country is considering an A-bomb sharing program with Great Britain and Canada.

He told questioners at a news conference that no deep, dark secrets were involved in the secret atomic conference he called at his Blair House residence last Thursday night.

And he said there is nothing alarming about secret atomic conferences which have been held since the Blair House meeting.

No Comment Replies But when he was asked whether he had any intention of telling the British how to make atomic bombs, he replied with a quick no comment.

He said the true facts about the Blair house meeting—which was so secret that photographers were barred from the sidewalk out front—will come out eventually. But he added that he has no plans personally to release them.

Chairman Brien McMahon (D., Conn.), of the house-senate atomic energy committee has officially announced that the Blair House conferees discussed atomic relations with Britain and Canada.

Second Meeting Most of the conferees met again yesterday. The second meeting was as secret as the first. It took place in the atomic committee's chamber on Capitol Hill.

(Concluded on Page 5, Column 6)

Smutny Flees Czech Terror

Frankfurt, Germany, July 21 (AP)—U.S. army authorities said today that Dr. Jaromir Smutny, chancellor of Czechoslovakia at the time of president Eduard Benes' death, has fled to the American zone of Germany.

They indicated Smutny was being interrogated by American intelligence officers.

Reputable Czech emigres in the western zone said they believed Smutny could reveal details of the communist seizure of power in Prague which are unknown to western intelligence agents.

Smutny was at Benes' bedside when the Czech president died shortly after the communist coup a year ago last February.

He also reportedly was in the same room when Benes gave notice to Klement Gottwald, then communist premier of Czechoslovakia, that he was resigning.

Smutny later served as chancellor to Gottwald when Gottwald was elevated to president.

Mutt Show Given At Bergs' Market

Hey! Skinny! There is a mutt show out at Bergs Market, Center and Capitol streets, Friday afternoon at 4 o'clock.

Everybody gets something and there is more than \$50 in prizes for dogs in different divisions.

Take your dog and go out to Bergs, maybe your pooch will win one of the prizes in the 10 classifications—dog with the longest ears, dog with the longest hair, smallest dog, largest dog, dirtiest dog, cleanest dog, dog with shortest legs, fattest dog, dog with the longest tail and the best dog in the show.

There will be no charge for entering. Everything is free for the kiddies.

"We are just going to let the bars down and have a good time with the youngsters and their mutts," said Elmer Berg.