

GENERALLY FAIR and slightly warmer tonight and Sunday. Lowest temperature tonight, 52; highest Sunday, 82.

Maximum yesterday, 81; minimum today, 48. Total 24-hour precipitation, .161 for month, .16; normal .08. Season precipitation, 42.08; normal, 31.53. River height, 3.4 feet. (Report by U.S. Weather Bureau.)

Council to Set September 30 For Merger Vote

3 Ordinances to Be Introduced at Monday's Meeting

By STEPHEN A. STONE
Three ordinance bills will be introduced at the city council meeting Monday night that will tentatively set Friday, September 30, as the date for special elections in Salem and provide for measures to be voted on. These will include the Salem-West Salem merger.

The first bill will initiate an act amending Section 5 of the city charter pertaining to city offices. It will create an eighth ward and provide for eight aldermen instead of the present seven. It will not fix the boundary of the proposed new ward, that being a function of the council.

Election September 30
The second bill will call a special election tentatively September 30 to vote on the above-mentioned charter amendment and any other measures the council may initiate, or any measures on which the people may invoke the referendum. This is in anticipation that the referendum may be invoked on the Baldock plan.

The third bill to be introduced Monday night will submit to the people the proposed merger of Salem and West Salem, and will set the date for the special election also tentatively on September 30.

Polling Places
Tentatively the bills provide for eight polling places in both elections—one in each ward, except ward 3, which would have two polling places, one on each side of the river. Ward 3 is the one of which Kingwood annexation in Polk county is now a part and of which West Salem will be a part if it is merged. One board in each ward would serve for the simultaneous elections. (Concluded on Page 5, Column 8)

Reserve Board Eases Credits

Washington, Aug. 6 (AP)—The government, which this week began borrowing to meet its expenses, may be the chief gainer from the newest "easy credit" move by the federal reserve board.

The board yesterday ordered a cut in reserve requirements—the proportion of deposits that banks may not lend—in order to make an extra \$1,800,000,000 available for loan or investment this month.

It was the third time this year the board has thus increased the supply of loan funds available, besides taking such other business-bracing steps as removal of consumer credit restrictions, and making it easier to buy stocks on credit.

Neither of the previous cuts in bank reserve requirements, the latest of them in early May, made even a dent in the record-breaking \$2,750,000,000, 27-week-long drop in bank loans to business. That drop lasted until this past week.

As businessmen shied away from borrowing money for the purchase of goods they might get stuck with in a price decline, they sought other ways to invest their money. One result was heavy purchases of government securities from other investors.

Ochoco Forest Fire Now Under Control

Prineville, Ore., Aug. 6 (AP)—The Ochoco national forest's third fire this week was brought under control today by smokechasers provisioned from a plane.

A crew of 200 circled the 150-acre blaze in country so rugged that food and water had to be parachuted to the men. All but 50 of the fire-fighters—who will remain for mop-up operations—were to be recalled tonight.

Hawaiian Law For Seizure of Docks Passed

Territorial Government Empowered to End Long Strike

Honolulu, Aug. 6 (AP)—Hawaii's legislature today passed a bill empowering the territorial government to seize the islands' strike-bound docks. Earlier, striking CIO stevedores voted unanimously to refuse to work for the government.

Final passage of the legislation designed to end the 98-day waterfront tieup came at 2:40 a. m. in the 10th day of a special session called by Gov. Ingram M. Stainback.

Late last night senate and house conferees agreed on the measure which directs the governor to take over the islands' seven struck stevedoring firms. It also calls for hiring, as far as possible, the 2000 striking members of the International Longshoremen's and Warehousemen's union at the pre-strike \$1.40 hourly wage.

The house approved the conference report by a 24-to-6 vote. The senate's approval was unanimous—14 to 0. (Concluded on Page 5, Column 5)

Business Held Stabilizing

New York, Aug. 6 (AP)—Forward buying by businessmen and a spurt in home building lessened the impact of the recession this week.

There were many indications the declining economy was leveling off in some fields, at least temporarily.

Earl R. Muir, president of the Louisville, Ky., Trust company and a spokesman for the American Bankers' association, put it this way:

"We are going through a very fine period of readjustment. We are getting better productivity from labor which has reduced building costs. Retail business has been lowering its inventories."

He noted some slight pickup other than seasonal. He said there can be no real depression when prospective purchasers have some \$175,000,000,000 in savings and bank deposits.

Economists thought business probably would hold at mid-year levels through September; that at the end of the quarter there might be a turn upward. But they felt employment and production might start downward again in the closing months of the year and continue a declining course until mid-1950.

Some Real Showers Sprinkle Valley

Some real showers came down in the Salem area Saturday morning, the precipitation totaling .16 of an inch in the 24-hour period ending at 11:30 a. m.

Normal rainfall for August to date is .03 of an inch, so the Saturday showers bring the total to .13 above normal.

The weather bureau is predicting generally fair weather tonight and Sunday and a slightly warmer temperature.

Cardinal and Eleanor Bury the Hatchet

New York, Aug. 6 (AP)—Francis Cardinal Spellman has issued a new statement on federal aid to education and Mrs. Franklin D. Roosevelt, who has disagreed with the church leader's stand, termed the message "clarifying and fair."



Legionnaires on Parade—Event of Friday night was the Legion's grand parade for which thousands lined the streets of Salem. At top is the LaGrande drum and bugle corps, state champions in the drum and bugle corps contest. Below, the mass color guard from the three Salem American Legion posts.

Salem's Greatest Throng Views Legion Parade

Uncountable thousands lined up six deep on Salem's downtown curbs Friday evening as the American Legion staged its grand parade of the 31st annual department of Oregon convention. The turnout was so tremendous that crowds were actually forced to turn back.

Police report that 5000 people who attempted to see the parade were unable to do so because of a huge traffic jam which had cars lined up for five miles on the Salem-Dallas highway and tied up every parking spot for several blocks in every direction of the downtown district.

The LaGrande drum and bugle corps, which won its second title in a row at the state drum and bugle competition Thursday night, added new laurels Friday night when it was judged the best musical unit in the convention grand parade through downtown Salem.

The Astoria drum and bugle corps—which placed second to LaGrande in the Thursday night competition—also placed second in the parade. The Ashland Kiltie band was third.

Marching winner was the Hillsboro auxiliary drill team, followed by Coquette's unit, second, and the Yamhill majorettes.

One of the popular features of the parade was the U. S. army's showing of musicians, troops, vehicles and weapons. The army was represented by the 2nd Infantry band and more than 300 troops of the 4th Infantry regimental combat team.

Another applause-provoking entry was the Linn county volunteer, 40 et 8, locomotive and boxcar driven by Frank Koos.

Earlier in the day, the children conducted a parade of their own, with first place prize going to Deborah Lamb, 840 North Cottage street, and Jill Cummings, 1511 D street, with a float that was designed as a miniature 40 et 8 locomotive and box car.

Boeing Production May Be Diverted

Washington, Aug. 6 (AP)—The air force has confirmed reports that it is considering the transfer of some Boeing bomber plane production from Seattle to the company's Wichita, Kas., plant.

A spokesman said later yesterday Secretary of Air W. Stuart Symington, members of his staff, and Senator Magnuson (D., Wash.) will fly to Seattle late this month for conferences with Boeing officials.

Magnuson reported the entire production situation will be discussed. He emphasized, however, that any changes would only involve a shifting of work between factories and would not mean cancellation of current contracts for work being done in Seattle.

Miller Hayden Gets Tax Job

BY JAMES D. OLSON

Miller Hayden, former Marion county district attorney, who was defeated in the May, 1947, primary election by present District Attorney E. O. Stadler, has been employed by the state tax commission.

Hayden was placed on the payroll of the income tax department through orders of Commissioner Ray Smith on August 1.

He has been assigned to field work in connection with collection of delinquent income taxes, working out of the Portland office of the commission.

Hayden first sought employment in the utilities division of the tax commission but Tax Commission Chairman Carl Chambers informed the former Marion county official he had no vacancies.

An attempt to be placed on the payroll of the tax and assessment division, over which Commissioner Robert Maclean is in charge, likewise failed.

However, Commissioner Smith provided the job, and Hayden was certified for employment last Monday.

Registration Changed
Several months ago Hayden moved from Salem to Portland, where he entered the office of State Senator Tom Mahoney, democrat. Later it was reported that Hayden had changed his registration from republican to democratic rolls.

Commissioner Smith left early Friday for Portland to spend the week end and hence was unavailable for any comment on the appointment.

It was stated in his office that Hayden's work would be in various counties, where he is expected to check county records, in running down delinquent taxpayers.

Pays for Dinners By Jail and Fine

What happens when a man orders food for himself and friends at a restaurant and is unable to foot the bill?

Richard June Harling, route 7, found the answer to that question Saturday in Salem. He ordered for himself and several other persons Friday night and then refused to pay for the check, claiming he was unable to do so.

Instead of an offer of the proverbial dishwashing job offer, the management called police. Harling was jailed on a drunk charge and sentenced to spend 30 days in jail and pay a \$25 fine.

Tarpon Douses Franco

Madrid, Spain, Aug. 6 (AP)—Unconfirmed reports said today that Generalissimo Francisco Franco was yanked overboard by a seven-foot tarpon while fishing in his new yacht off the coast of San Sebastian.

660 Killed, 5000 Injured By Central Ecuador Quake

Legion Votes for State Pensions For Veterans

The American Legion in Oregon broke with its past tradition today and voted to support a state bonus for veterans in Oregon. State bonuses were turned down by the last two state Legion conventions.

New Model for Brannan Plan

Washington, Aug. 6 (AP)—A bipartisan senate group today offered Secretary of Agriculture Brannan a compromise model of his new farm program. They expected the administration farm leader to back it.

European Unity Meeting Called

Paris, Aug. 6 (AP)—Leading statesmen of western Europe will assemble at Strasbourg Monday to consider proposals designed to give concrete expression to the centuries-old dream of European unity.

Oil Prices Advance

Portland, Ore., Aug. 6 (AP)—The price of margarine and other butter substitutes advanced two cents a pound for most "name brands" here today. Distributors said the price hike was due to an increase in government support prices for cotton seed.



Sam Bowe of Grants Pass, slated to be new state commander of the American Legion.

City of Ambato Hardest Hit of Score of Towns

Quito, Ecuador, Aug. 6 (AP)—The death toll in the earthquake which devastated central Ecuador yesterday mounted to 660 today. Nearly 5000 persons were injured.

2000 Buildings in Ruins

At least 2000 buildings in that city of 20,000 persons were in ruins. They included almost the whole industrial area of textile mills, a modern rubber factory, a large cannery, flour mills and tanneries.

Highway Wrecked

Parts of the highway itself were wrecked by the temblors, delaying relief expeditions. However, army planes began a shuttle service between Quito and the affected towns, carrying doctors, nurses, medicines, army tents and other supplies. (Concluded on Page 5, Column 6)

Red Cross Offers Aid to Ecuador

Washington, Aug. 6 (AP)—Basil O'Connor, president of the American National Red Cross, cabled the Red Cross society of Ecuador that medical supplies and food will be sent to the stricken area if needed. He asked for a report on the damage done.

Negro Can't Write But Forged Checks

Miami, Fla., Aug. 6 (AP)—A 25-year-old Negro who says he cannot read or write is serving a prison term for forgery.

Queen of Hearts

Little Miss Glenda Lee Halsey of 740 Ferry street, who in her Queen of Hearts costume was a second place winner in the Legion's Children's parade held Friday afternoon.

Negro Can't Write But Forged Checks

Secret service agents said West simply marked an "X" on the backs of the checks which he told them he obtained from a mail box at the address where he lived.

He then persuaded neighborhood merchants to cash the checks for him by telling them he was unable to read or write, the agents said.