

THE WEATHER

PARTLY CLOUDY tonight, cloudy with occasional rain Saturday. Little change in temperature. Low tonight, 36; high Saturday, 52.

Capital Journal

FINAL EDITION

65th Year, No. 62

Salem, Oregon, Friday, March 13, 1953

(18 CENTS)

Price 5c

9 Per Cent Rate Boost Given Oregon's Rys.

Court Decision Makes Boost Mandatory on Commissioner

A nine per cent increase on intrastate freight rates for five Oregon railroads was granted Friday by Public Utilities Commissioner Charles H. Helzsel.

A recent decision of the United States Supreme court together with a ruling by the Interstate Commerce Commission, virtually strips the Oregon commission and all other state utility commissioners of authority to deny general increases in intrastate rail freight rates regardless of the evidence or lack of evidence as to intrastate costs.

The five railroads, the Southern Pacific, Union Pacific, Northern Pacific, Great Northern and Spokane, Portland and Seattle railroad, produced evidence in the hearing showing an annual system passenger loss totaling more than \$114,000,000 in 1952. The United States supreme court held that regardless of any other facts to the contrary, freight increases intrastate must be granted upon petition by the railroads where there are interstate passenger deficits.

Helzsel said that the railroads offered evidence of higher costs to support some increases, although he declared that such evidence was directed generally toward the system-wide basis rather than on the Oregon portion of costs.

"However," he declared in his order, "if this commission were to deny the petition on the ground that a more adequate separation study should be made to show increased Oregon operating cost in more exact terms and consequently show the increased revenue percentage necessary, it would only invite divestiture of its authority."

Morse Delays Confirmation

Washington (AP)—The senate Thursday confirmed President Eisenhower's nomination of Albert J. Robertson of Iowa to be assistant postmaster general.

A demand by Sen. Morse (Ind., Ore.) for a quorum call delayed action at least a day on the appointment and the president's choice of an economic adviser.

When two roll calls summoned only 42 of the necessary 49 senators to conduct business, Sen. Taft of Ohio, the majority leader, abruptly moved to adjourn the senate until Friday.

Second Area Director Of Bureau Removed

Washington (AP)—A second area director of the agriculture department's production and marketing administration has resigned at the request of the new administration, it was learned today.

Emery E. Jacobs, southwest area director, will leave April 10. It was learned yesterday that Alvin V. McCormack, northwest area director, had resigned effective April 1.

Jacobs is in charge of PMA activities in Kansas, Oklahoma, Texas, Colorado, New Mexico, Nevada, Utah, Arizona and California.

As yet no new men have been picked to fill the new posts. Possibly one more area director will be asked to leave.

Morse Again Forces Reading of Journal

Washington (AP)—For the second time this week, Sen. Morse (Ind., Ore.) Friday held up the senate session by forcing a complete reading of the Journal.

5 Hearings Scheduled on Zoning Code

At least five regions of the city will get hearings in the next five or six weeks on the proposed new city zoning code, and more if necessary.

A schedule of five hearings was completed today by the planning and zoning commission which proposes to take the hearings to the people at various strategic places instead of having them come downtown. Only one hearing is scheduled for City hall.

Here is the schedule: Wednesday, March 18, West Salem City hall.

Wednesday, March 25, Richmond school.

Wednesday, April 1, Leslie Junior High school.

Wednesday, April 8, Mayflower hall.

Thursday, April 16, City hall.

If additional hearings are needed others will be scheduled, the commission said.

The regional hearings will be followed by others before the zoning commission and the city council before the plan is finally adopted.

Defends Pay Hike Refusal

Senator Angus Gibson, chairman of the sub-committee of the ways and means committee handling salaries, issued a statement Friday in which he declared that the failure of the sub-committee to recommend pay increases to some 3,300 state employees was based on a most thorough study.

"Testimony of business and industrial leaders from over the state was to the effect that salaries paid to state employees is equal to, and in some instances much higher, than salaries paid by private industry," Gibson said.

"Many business men told our committee that they are not able to compete with the state's pay scale and are constantly losing employees to the state."

Senator Gibson added that the committee's study showed that the so-called fringe benefits enjoyed by state employees, such as paid vacations, sick leaves and retirement pay, are more generous than those provided by private industry.

This statement is challenged by Forrest Stewart, executive secretary of the Oregon State Employees association, who Thursday issued a statement declaring that fringe benefits paid by private industry were greater than those received by state employees.

Gibson also said the proposed integration of the state retirement plan with federal social security "with its substantially increased benefits at lower cost to the employees will make state employment even more attractive."

Turnover of state employees, Gibson contended, while heavy, has not been nearly as heavy as the turnover in private industry.

New Alaska Governor Opposes Statehood Now

Washington (AP)—D. Frank Heintzleman, governor-designate of Alaska, told the Senate Interior Committee Friday Alaska should build up its industry before it is granted statehood.

Heintzleman, regional forester in Alaska for 16 years, said he is "very much interested in getting statehood for Alaska when it can finance the services of state government."

It will be necessary to eliminate fire inspection service and city first aid as special divisions of the Salem fire department so that a general increase in city salaries and wages can be made?

That is one of the big questions before the city budget committee, and was offered as a possibility today at an informal meeting of the city council.

The meeting followed a special council session called to elect three members of the budget committee to fill vacancies made by expired terms. Russell Bonebrake was elected to succeed himself, and new members elected were Elton H. Thompson and Robert Powell, who succeed Paul R. Hendricks and Joseph Himmel.

Bill Provides Development Commission

Securing New Industries Aim of Sen. Merrifield

By JAMES D. OLSON

Creation of an Oregon Development commission to assist local communities in securing new industries as a part of a statewide master development plan is provided in a bill to be introduced in the senate next week by Senator John C. F. Merrifield of Multnomah county.

The proposed legislation would create a five-member commission appointed by the governor to study the broadening of the economic base of the state to create new industries and increased employment and to carry on a continuing examination of labor, market and production potentials.

The bill is based on a detailed study compiled by a committee which worked with both Governors Douglas McKay, now secretary of the interior, and Paul L. Patterson. The committee was headed by Sid Woodbury of Portland.

Merrifield said that the commission would be responsible for giving aid to the development of community employment by sustaining present and additional payrolls and to coordinate existing work of state departments to implement the plan.

It would also serve as a statistic and fact-finding group, Merrifield said. It would assist programs of community employment and industrial development throughout the state in securing new industries.

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Livestock Men Want No Bonus

Washington (AP)—The livestock advisory committee drafted a resolution Thursday advising Secretary of Agriculture Benson that producers do not want government subsidies or price supports to bolster declining returns from beef cattle.

The 15-member committee, which was named by Benson to advise with him on what to do about the drop in cattle prices, agreed that cattlemen should work out their own problems.

The view that the industry opposes price supports and subsidies had previously been expressed by other spokesmen in conferences with farm belt congressmen.

Benson himself has expressed opposition to such price supports. They are not required by law, but he has authority to provide them.

The decision to advise against supports was made as cattle prices continued a downturn in effect for nearly two years. Officials said that prices have eased off further in livestock markets this week.

37 Red Violations of Wartime Pacts Charged

Washington (AP)—The house foreign affairs committee has accused Russia of 37 violations of wartime agreements with the United States, including the industrial rape of Manchuria.

The committee said most of the Soviet violations are continuing, and that they affected millions of people in Austria, China, Iran, Romania, Bulgaria, Hungary, Germany, Poland and Korea.

Special divisions would be stubbornly resisted, but they declare that if salary and wage increases are to be made as demanded it will be necessary to cut from elsewhere in "big lumps," to use the words of Alderman Dan Fry.

"There is no use trying to do it by cutting \$100 here and \$300 there," he said. "It must be not less than \$500 in a lump."

To cut out the two would mean a saving of about \$35,000 a year it was estimated.

It is not the thought to wipe out the inspection and first aid services. But Alderman Chester Chase was of the opinion, and some others agreed, that both services could be performed by the regular personnel of the fire department, with all members trained both in first aid and inspection as well as being required to do fire fighting duty.

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BRITISH FLOOD HERO DECORATED



Airman Second Class Reils L. Leming (right) of Toppenish, Wash., credited with rescue of 27 marooned persons during recent English flood, receives the Soldiers' Medal from Gen. Nathan F. Twining, acting Air Force chief of staff, during Pentagon ceremony. Sen. Henry M. Jackson (D., Wash.) is at center. (AP Wirephoto.)

Liquor-by-Drink Bill Passes Senate 20-10

By PAUL W. HARVEY, JR.

The liquor by the drink bill was passed 20 to 10 by the Oregon Senate Friday, but headed into a conference committee to resolve differences between the two houses.

The bill, during two hours of debate, survived two moves to send it back to committee for changes.

Purpose of the bill is to carry out a mandate of the people, who provided for liquor by the drink in a constitutional amendment voted at the November election.

The senate first voted 20 to 10 against wiping out the bill's dual licensing provision, under which clubs would be allowed to serve liquor from a member's own bottle as well as sell liquor by the glass.

Sponsors of this motion, which would have sent the bill back to committee, wanted to give clubs a choice between the two systems, but not to allow both to any one place at the same time.

Then it defeated, 16 to 14, a motion to re-refer with instructions to remove the emergency clause from the bill. The effect of this motion would have been to permit enemies of liquor by the drink to refer the bill to the people, and thus hold it up until the general election in November, 1954.

Chairman Russell Hudson, The Dalles, of the house alcohol committee, said the house won't accept the senate changes in the bill, so it will go to conference committee.

Nation's Oldest Civil War Vet Succumbs

Rochester, N. Y. (AP)—James A. Hard, the nation's oldest Civil War veteran, died last night at 111 of complications that followed a leg amputation.

The right leg of the aged Union infantryman was cut off above the knee March 2 because of a progressive circulatory deficiency in his foot.

The death of the chipper, cigar-smoking Hard left but a survivor of the Union Army and four veterans of the Confederate forces.

Hard, who fought in the battles of Bull Run, Chancellorsville, Antietam and Fredericksburg, died in Rochester General Hospital at 11:45 p.m., EST.

Two Teachers Dodge Communist Queries

Washington (AP)—Two teachers refused today to tell congressional committees whether they had ever been Communists.

One had made a Voice of America propaganda broadcast. The other is working on an Air Force research project.

Both invoked the fifth amendment to the Constitution which says a witness may not be forced to testify against himself.

U.S. and Britain Dispatch Strongly Worded Protests To Moscow Over Shootings

London Terms Act "Deliberate and Brutal"

Berlin (AP)—Soviet fighters shot at a two-engine British European Airway passenger plane en route from Munich to Berlin yesterday, British officials announced today. The plane was not hit.

London (AP)—Britain accused the Russians today of "a deliberate and brutal act of aggression involving murder" in shooting down a Royal Air Force bomber near Hamburg.

The charge was contained in an official British protest to the Soviets, announced here today. Two Soviet MIG-15 jets shot the Lincoln bomber down just over the border of Communist East Germany yesterday. Six of the seven crewmen were killed or died of their wounds and the seventh, wounded, was reported held by the Soviets.

Russian General of the army Vasily Chulikov, the top Soviet commander in East Germany, in a protest note to the British earlier today had accused the RAF plane of violating the East Germany frontier and opening fire first on the MIG's when they ordered it to land at a Soviet airfield.

British officials said Soviet attacks on British and American planes were evidence of post-Stalin jitters behind the Iron Curtain.

Highly-placed officials said they believed the MIG fighter attack that cost Britain a Lincoln bomber and six lives near Hamburg, Germany, Thursday was due less to trigger-happiness on the part of the MIG crews than nervousness in higher echelons of the Kremlin.

"Since the death of Stalin," one informant said, "the Communists have become very jumpy indeed about vigilance around their borders. Fliers have probably been told there is greater danger of attack from outside, now that Stalin is dead, and they are taking it seriously."

U. S. Jets Down Six More Migs

Seoul (AP)—U. S. Sabre jets sent six Russian-built MIG-15s spinning to destruction Friday as Col. Royal N. Baker became America's top jet ace with 12 MIGs shot down.

Baker, of McKinney, Tex. said he "always thought Friday the 13th was good luck for me. He got his 12th MIG and 13th Communist plane Friday.

The U. S. Fifth Air Force said another MIG was probably destroyed and one was damaged in a fiery climax to a day of tripartite Allied air blows.

The bag ran the toll of MIGs since the Korean War started to 604. Of that number, 585 have been destroyed by Sabres. Up to March 7, the Air Force said, 52 Sabres were lost in air combat, a victory ratio of nearly 12-1.

QUEEN HAS GOOD NIGHT

London (AP)—Aged Queen Mary spent a good night, the royal doctors reported Friday.

7 Oregon Civil Defense Observers to See Shot

Next week's atomic shot at the Nevada proving grounds will draw seven civil defense observers from Oregon, in addition to Rep. William Braden of Burns, chairman of house military affairs committee, and press representatives.

Josephine county CD Director Lloyd Haynes, also a state legislator, will witness the test. Robert Sandstrom will represent the Oregon Civil Defense Agency.

Portland Civil Defense Director Jack Lowe will be on military orders, attached to radiological safety section of the Sixth army.

Others to see the test are M. James Gleason, welfare director for Multnomah county Civil Defense; Darrell Jones, assistant director of Clackamas county Civil Defense; and Professors Arthur Scott and Kenneth Davis of seed college, attached to the radiological defense division of the Oregon CD medical service.

Just About All We Can Take, Irate Solons Say

Washington (AP)—Angry Congressmen and worried diplomats agreed today that two Red attacks on Allied planes in rapid succession is about all the western world will take at this time.

"If it happens again right away, we may be headed for trouble," one high administration official said.

One Congressman said that if any Communist planes crossed into American territory "we should shoot hell out of them."

The general feeling throughout the capital was that East-West relations had been pushed to the danger point by the trigger-happy Communist pilots who roared across the cold-war border into Western Germany twice this week to shoot down first an American jet fighter and then a British bomber.

Attack Over British Zone

Lauenburg, Germany (AP)—German eyewitnesses who saw two Russian-built MIG fighters shoot down a British Lincoln bomber agreed unanimously today the attack took place over British zone territory.

Eulorf Herz, who owns the Palmeschleuse inn only 250 yards from the Soviet zone border, said he saw two jets leave Western Germany and head east after the attack yesterday.

Herz and Steffan said cloudy skies prevented either of them from seeing all of the action which cost the lives of six crewmen aboard the seven-man British bomber.

Herz said he was working when he heard shooting "I ran outside and saw a jet—I think it was Russian MIG—swoop low to about 2,000 feet and head east into the Russian zone," he said.

"It was cloudy and I couldn't see too much of the sky. "A few seconds after the jet passed I clearly saw the wing of a plane, with the outboard engine burning, spiraling down. It fell into the woods about one mile inside the Soviet zone, not far from the main Hamburg-Berlin highway."

The innkeeper said he next heard a heavy muffled crash and saw a flash from a wood in east Germany.

U. S. Sending Squadron Of Jets to Germany

Washington (AP)—The air force was grooming a squadron of crack F-88 Sabre jets today for immediate flight to Germany to bolster the free world's air defenses along the Iron curtain.

Coming at this particular time, the long-planned reinforcement will underline America's determination not to tolerate any repetition of this week's communist attacks on allied planes.

Occasional Rain and Lower Temp. Forecast

Cloudiness, occasional rain and temperatures slightly below normal is the forecast for Salem and valley sections the next several days, says the five-day prediction out Friday.

Forecast for tonight here is for cloudiness and occasional rain Saturday, low temperatures to be in the mid-thirties.

Rainfall so far is behind for March, the total so far being .67 of an inch, the normal for the period being 1.90 inches.

As result of the little rain the past few weeks, the seasonal fall (the weather year starting September 1) margin is being cut down. So far, 32.33 inches have come down in Salem since September 1, against a normal of 30.22 inches for the period.

America Calls for "Immediate Compensation"

By DONALD J. GONZALES

Washington (AP)—The United States today accused Communist Czechoslovakia of a "provocative" act in attacking two American jet fighters over Germany and demanded "immediate compensation" for the U. S. plane that was destroyed.

The United States, in a strongly-worded note delivered to the Prague government, also flatly rejected as "falsification of facts" a Czech complaint that the two F-84 Thunderjets which were attacked had penetrated Czech territory.

This government said the Czech argument was a false attempt to cover up its clear responsibility for the "inexcusable" attack.

The U. S. note was disclosed after Britain protested to Soviet Russia about the shooting down of a British bomber. The British called it an act of aggression and murder of British crewmen.

The U. S. note was delivered to the Czech foreign office. The note:

1. Demanded an apology for the "irresponsible" attack on the American planes by the MIG-15 fighter planes.

2. Demanded assurance that no further incidents "will occur again."

3. Demanded that since Czechoslovakia was "clearly responsible" for the destruction of one Thunderjet that the United States be repaid for it. Air Force officials have said that a F-38 Thunderjet costs approximately \$200,000.

The note was delivered as angry congressmen and worried diplomats agreed the British and American plane incidents were about all the Western world could take at this time.

"If it happens again right away, we may be headed for trouble," one high administration official said.

Cite Radar Reports

One Congressman said that if any Communist planes crossed into American territory "we should shoot hell out of them."

The U. S. note stressed that radar reports made it conclusive that the American planes did not cross the border at any time as alleged by the Czech Communists.

First Texas Tornado Damages 30 Buildings

Carthage, Tex. (AP)—The year's first Texas tornado—small but vicious—damaged an estimated 30 homes and small businesses here yesterday.

Only two persons were reported injured, neither seriously. Police Chief James Brannon said highways and streets were flooded by a brief torrential rain accompanying the tornado.

NAMED TO GEOLOGY BOARD

Mason L. Bingham, Portland, was reappointed by Gov. Patterson Friday to a four-year term on the State Board of Geology and Mineral Industries. The appointment is subject to confirmation by the Senate.

Weather Details

Maximum yesterday, 50; minimum today, 36. Total 24-hour precipitation: .67 (for month) 5.1; normal, 1.96. Season precipitation, 32.33; normal, 30.22. Wind: light, 1.5 feet. (Report by U.S. Weather Bureau.)