

THE WEATHER

MOSTLY CLOUDY with intermittent light rain tonight, Thursday. Little change in temperature. Low tonight, 44; high Thursday, 62.

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FINAL EDITION

Legislature Ends Session With Surplus

Complexities in Tax Structure Removed By Set of New Laws

By JAMES D. OLSON The 47th legislature wound up its session in the black after appropriating \$196,796,266.23 from the general fund against estimated revenues during the 1953-55 biennium of \$199,127,946.06 which would leave a surplus of \$2,337,639.83 at the end of the biennium.

This summary was announced Wednesday by Carl Cover, chief clerk of the joint ways and means committee, and marks the first ways and means financial report that did not report surpluses in one fund and deficits in another. "Tax Package"

By passage of a tax "package" of numerous bills, based on studies and recommendation of an interim tax committee headed by Senator Howard Belton, the complexities of "offsets in a property reduction fund" were eliminated by placing all income tax revenues, both corporate and personal taxes, into the general fund.

The budget covering state department and activities deriving its support from the general fund and subject to the 6 per cent limitation of the states, as submitted by Governor Paul L. Patterson, called for a total expenditure of \$109,250,178.88, an amount which was reduced by the ways and means committee to \$107,916,642.14. The committee, sustained by legislative action, also approved budgets outside the 6 per cent limitation totaling \$77,687,954.97. (Concluded on Page 5, Column 2)

Court Denies Milk Rehearing

The state supreme court Wednesday denied a petition of the state agriculture department for a rehearing of the Safeway Stores case against the department, with Justices Hall S. Lusk and James T. Brand dissenting.

Some weeks ago the high court handed down a decision in favor of Safeway Stores, holding that the milk marketing division of the agriculture department could not legally prevent Safeways from purchasing raw milk in the Salem area, shipping such milk to Portland for processing and returning it to the Salem area for sale and distribution.

Under the ruling of the supreme court Safeway Stores will be able to offer milk of 3.8 per cent butterfat to Salem consumers in place of the fluid milk of 3.5 per cent sold. No opinion was written in the rehearing case, the opinion being made orally.

The court also ordered the immediate discharge of Martin Caswell Broom from the state penitentiary on the grounds that Broom has fully served the only sentence ever imposed in a rape case.

Broom instituted a habeas corpus proceeding against George Alexander, superintendent of the penitentiary. The question presented was whether Broom could lawfully be kept in custody pending the decision of the appeal from a decision of Circuit Judge Rex Kimmell discharging him in a habeas corpus proceeding.

Justice James T. Brand, who wrote the opinion, said that "the Polk county circuit court cannot vacate the sentence already served and cannot now impose upon him any other sentence for that crime. Plaintiff Broom is entitled to immediate discharge from custody," the court ruled.

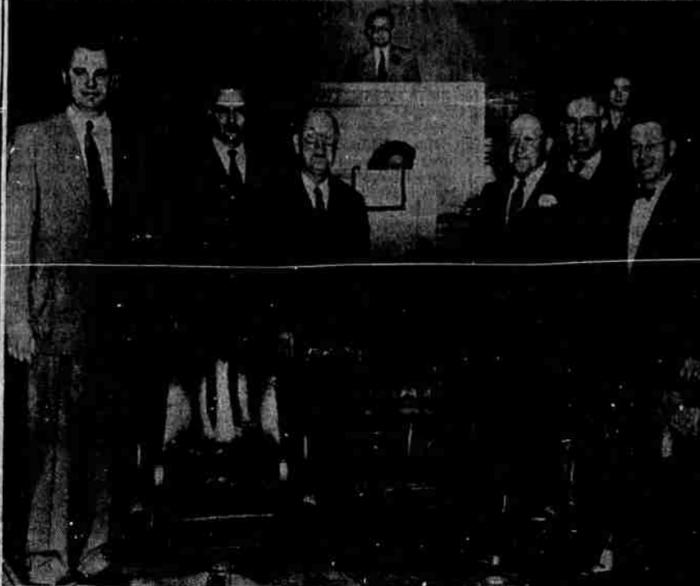
Showers Forecast Tonight, Thursday

The predicted rain came, starting in showers about mid-morning, Wednesday, in Salem.

The forecast is for continued cloudiness and intermittent light rain through tonight and Thursday.

However, rainfall for April is behind schedule, only .39 of an inch being recorded so far, and the normal for the period is 1.77 inches.

VET SOLONS GIVEN CHAIRS



School Bill Dies in Senate

The Legislature's school district reorganization bill — one of the most important measures of the session — died in the Senate Tuesday night.

The Senate, which wanted school district consolidations accomplished by majority vote, was deadlocked with the House, which wanted to keep the present system of letting any district stay out of a consolidation.

After three Senate-House conference committees failed to agree, Sen. Ben Day, Medford, the strongest foe of forcing little districts into consolidations, moved to accept the House change in the bill.

His motion was defeated 20 to 10, and the Senate then killed the bill.

Sen. Robert D. Holmes, Gearhart, chairman of the Senate Education Committee which wrote the Senate version of the bill, at the end pleaded for killing the bill.

Raps Zoning Airport Rules

Eugene (AP)—The value of federal airport zoning regulations was questioned at Tuesday's meeting of the Northwest Airport Management Conference here.

Joseph K. McLaughlin, director of the Illinois department of aeronautics, said conditions carry at different airports and from day to day. The solution is not in zoning such as was recommended by Gen. James Doolittle after a series of crashes in the East, he added.

Instead, McLaughlin said, airport management and adjacent property owners should try to straighten out their differences by discussion. That will work 90 per cent of the time, he said.

Option on McNary Farm As Country Club Site

A group of Salem men has taken an option on 140 acres of the scenic McNary farm, "Fircone," north of Salem in the hope of converting it into a country club and golf course for the people of the community.

William S. Bell of Pasadena, president of the American Society of Golf Architects, and designer of the Tamarisk course at Palm Springs where Ben Hogan is pro, will arrive in Salem Thursday afternoon. He will be here several days in consultation and is expected to offer expert advice on what can be done.

The announcement was made by Chandler P. Brown and Kenneth Potts, two of the interested persons.

They explained that plans are tentative. The option has been received from members of the McNary family, and tentatively it is suggested that the name of the club be McNary Golf club.

No organization has been perfected and no list of prospective members made. Brown and Potts explained that membership would not be exclusive.

Representative Harvey Wells, dean of the legislature with 11 regular and four special sessions, and Rep. Henry Semon, with 11 regular sessions to his credit, were given the chairs they have occupied for many years as the 1953 session ended Tuesday night. Funds for the cost of the chairs came from the pockets of fellow legislators. From left to right are Reps. Robert J. Jensen and Richard F. Deich with Harvey Wells whom they escorted to the front of the house with his chair in the foreground. On the right side are shown Rep. Semon and his chair and his escorts Reps. Ed Geary and Alva Goodrich. Speaker Rudie Wilhelm, Jr., is shown behind the rostrum.

Weary Legislators At Last End 1953 Session

Weary but happy, Oregon's legislators finished their 100-day session at 10:10 p.m. Tuesday night.

The adjournment was orderly, with the closing minutes being given over to speeches praising the fairness and competence of Senate President Eugene E. Marsh and House Speaker Rudie Wilhelm Jr.

There was applause and singing after passage of the adjournment resolution. Then the lawmakers went to a downtown hotel for a farewell party given by the lobbyists.

The Joint Ways and Means Committee estimated Wednesday the state would have a \$2,337,639 surplus at the end of the two-year budget period which begins next July 1.

The Legislature appropriated \$196,790,306, and revenues for the next biennium were estimated at \$188,127,946.

Both houses operated at full speed until the dinner hour, and the evening sessions were devoted to cleaning up the odds and ends.

The anti-picketing bill, which bans picketing of a firm unless the union is the bargaining agent, went through both houses. "So did the bill to appropriate \$250,000 to buy land for the proposed mental hospital in Portland. Portland legislators made five attempts to boost the appropriation to three million dollars to permit immediate construction, but all these efforts failed.

Legislative action also was completed on the bill to make state income tax exemptions conform with the federal exemption of \$600 per person. This will reduce taxes for parents of two or more children, the blind, and persons over 65 years old.

Senate Group OKs Kuykendall

Washington (AP)—The Senate Commerce Committee unanimously approved Jerome K. Kuykendall for a five-year term on the Federal Power Commission.

Approval of the nomination, which now goes to the Senate for expected confirmation, came after Kuykendall pledged to put the "public interest" first on all issues.

Kuykendall, now chairman of the Washington State Public Service Commission, pleased all members of the Senate Commerce Committee with his frank answers to their controversial questions at a public hearing on his appointment.

Chairman Tobey (R., N.H.), at one point, told the 45-year-old lawyer that he should be "marked 100 per cent" on his answers to touchy questions.

CARRICK LOW BIDDER Portland (AP)—John Carrick of Albany was low of five bidders for construction of control and oil houses at the Albany substation, the Bonneville Power administration reported today. Carrick bid \$50,647 on one schedule and \$50,497 on a second schedule.

Senate to Probe Atrocities Of Reds against Allied POW

Allies Call for New Meeting Liaison Officers

Panmunjon, Korea (AP)—The U. N. command Wednesday night called for a meeting with communist liaison officers Thursday, touching off speculation that the Allies might again ask the Reds to return more disabled captives.

The U. N. prisoners already freed have told of many sick and injured Americans and other prisoners still in communist prison stockades.

The official announcement said only that the meeting was called "to discuss matters in connection with the current repatriation operations."

The session is set for 10 a.m. (5 p.m. Wednesday PST), an hour after the Reds start turning over 14 more Americans and 86 other U. N. and South Korean prisoners. The exchange began Monday.

American and U. N. captives in Japan on their way home Wednesday added bitter new accounts to the stories of death in communist stockades and on brutal marches. Associated Press Correspondent Robert E. Eason said the figures add up to 1,500 dead.

Dulles in Paris For NATO Meet Paris (AP)—Secretary of State John Foster Dulles arrived today for the first North Atlantic Treaty Council of ministers' meeting since the Red "peace" offensive began.

The group's 11th meeting opens here tomorrow with foreign, defense and financial experts of all 14 member nations attending.

Dulles arrived by plane from Washington at 9:30 a.m. with Mutual Security Director Harold Stassen, Secretary of the Treasury George M. Humphrey, Carl W. McCordie, assistant secretary of state for public affairs, and members of Dulles' staff.

"We have great faith in NATO," Dulles told reporters after shaking hands with top U. S. and French officials who met his special plane.

Although Dulles would not answer questions on whether the U. S. delegation was carrying specific proposals for the conference, he said "perhaps we have a few new ideas on how to make an even greater success of the meeting which we will discuss with our colleagues."

Crown to Build \$8 Million Plant

San Francisco (AP)—The Crown Zellerbach Corp. contemplates an 8 million dollar expansion program for the St. Helens Pulp and Paper Co. plant at St. Helens, Ore., if it is permitted to purchase the company, James D. Zellerbach, C-Z president, said here Tuesday.

Zellerbach made his statement to the California Corporations Commission in seeking its approval of the purchase through a stock exchange plan.

The plan is opposed by a group of stockholders, headed by George H. Buckler, Portland, Ore., contractor, under the name of the "stockholders committee to keep St. Helens independent."

Zellerbach explained that the stock exchange plan would require that at least 80 per cent of the St. Helens stock amounting \$342,744, be exchanged for Crown Zellerbach stock and that the St. Helens board of directors had agreed to the plan and assured him that amount could be delivered. The exchange would be on the basis of 1 share of Crown Zellerbach to 1 1/6 shares of St. Helens.

Weather Details Maximum yesterday, 71; minimum today, 41. Total 24-hour precipitation: trace for month; .39 normal, 1.77. Season precipitation, 31; normal, 34.7. River level, 1.2 feet. (Report by U.S. Weather Bureau.)

Over 1500 American Prisoners Said Brutally Killed in Red Prisons

Tokyo (AP)—A slow-talking sergeant from Oklahoma said tonight American soldiers were "punched with bayonets, clubbed with rifle butts and left to die" by their Communist captors on a bitter 13-day march through North Korea in subzero cold.

"I saw men that looked like they couldn't go any farther shoved over embankments and left to die," said Sgt. Odie Lawley of Medicine Park, Okla.

"Lots of men just dropped while they were walking. The Communists shoved them off the road and left them to die."

Associated Press Correspondent Robert Eason reported from Munson that a preliminary check of atrocity stories indicates more than 1,500 prisoners perished on brutal death marches and in Red prison camps.

Another young American released from Communist captivity Monday at Panmunjon said Chinese Red guards hauled away to a labor camp, beat up and once bayoneted American prisoners who defied Red rule.

But, said Cpl. Donald K. LeGay of Leominster, Mass., prisoners who went along with the Communist line "got a little better treatment."

"We called them the No. boys," he added wryly at a news conference at Tokyo Army hospital. He said about "25 to 30 men" in his company of 220 men got special treatment.

Odie, who is suffering from malnutrition and other ailments, told newsmen, "So many men died of sickness at the camps I was in that I don't have any idea how many died. There was so many died I lost all track of it."

"We had five or six men tried to escape but they caught 'em. They never got very far. They brought 'em back and kept 'em in what we called Turnip Dugout — away from the rest of us. They had to do extra duty—extra work. They wouldn't allow us to see 'em."

Living Costs Edge Upward

Washington (AP)—The government reported Wednesday that living costs edged up fractionally between mid-February and mid-March. This revised a three-month downward trend.

The bureau of labor statistics said its consumer price index rose two-tenths of one per cent over the month. This brought the index to 113.6.

The index uses average prices of 1947-49 as a base of 100.

The living cost level is presently only about one-half of one per cent off the record established last November when the index was 114.3.

District Attorney Holds Against Vote

Holding of an election to determine whether the Fairfield area will be annexed to the Woodburn rural fire protection district will not be necessary, District Attorney Kenneth Brown has informed the county court.

The district attorney pointed out that it appears that most of the residents of the Fairfield district are opposed to the annexation and that the holding of an election was not practical.

Bridges Calls Full-Fledged Investigation

Washington (AP)—Chairman Bridges (R.-N.H.) summoned top state and defense officials to the capitol Wednesday for a full fledged Senate Appropriations Committee investigation of atrocities against U.S. prisoners in Korea.

Bridges asked Gen. Walter Bedell Smith, undersecretary of state, to appear with top advisers at 2:30 p.m. (EST), and top ranking defense officials to come in an hour later.

Bridges said the officials would be questioned at a closed session. "We want to get all the information they have about the Red atrocities against U.S. and U.N. prisoners, all the background we can get on such treatment and what they are doing about it now," Bridges told reporters.

Test Vote on Oil Lands Bill

Washington (AP)—Majority Leader Taft (R-Ohio) told the Senate Wednesday he will move to force a test vote Wednesday night on state-vested ownership of offshore submerged lands.

Taft said he will make a motion, not subject to debate, to "lay on the table" the Anderson (D-NM) substitute providing for federal administration of offshore oil leases.

The republican senate leader predicted a 30-vote margin in favor of sidetracking the federal control proposal. Opponents did not dispute this, but said their debate will continue on the bill to give states ownership of off-shore lands within their boundaries.

The senate is in its 15th day of the submerged lands debate and Taft has been trying to get action instead of talk. The Eisenhower administration is backing the state ownership plan.

Critics Slapped By Churchill

London (AP)—Prime Minister Churchill Wednesday heaped criticism on Laborite critics who accused him of letting the United States call all the turns in dealing with the Soviet wounding of the West.

The 78-year-old premier indignantly refuted Socialist opposition insinuations in the House of Commons that he was taking a back seat in the East-West developments and declared: "I do not think, looking back over a long period in peace and war, I have ever, so far as I had anything to say in the matters, been willing to accept complete initiative from the United States."

Churchill emphasized, however, "I am most anxious to work with them and it is vital to the survival of the free world that we should."

Churchill has already voiced his "resolute and wholehearted" support of the peace plan put forward by President Eisenhower.

Korean Casualties Now Total 133,787

Washington (AP)—American battle casualties in Korea now total 133,787, an increase of 324 since last week's report, the defense department said today.

The casualties include 23,757 dead, 97,115 wounded, 3,365 captured, 9,156 missing and 1,394 previously missing and returned to military control. There was no change from last week in the last category.

BFA CHEMAWA CONTRACT Portland (AP)—Bonneville Power administration has awarded a \$92,418 contract for construction of the control house and oil house at Chemawa substation to Charles R. Schmiedeskamp of Portland.