

THE WEATHER

MOSTLY FAIR tonight and Tuesday. Little change in temperature. Low tonight, 48; high Tuesday, 80.

Capital Journal

66th Year, No. 145 Salem, Oregon, Monday, June 21, 1954 (20 Pages)

FINAL EDITION

TRANSCONTINENTAL ROUTE CLOSED



DES MOINES, June 21—Flash flood waters on Four Mile Creek race across the northeast corner of Des Moines late yesterday as they began their swift rise after a 5-inch cloudburst upstream. Transcontinental route U.S. 6 (see signpost), traveled annually by thousands of tourists, was closed for hours. Police boats evacuated more than 50 Des Moines families living along the creek. (AP Wirephoto)

Truman Loses Gall Bladder

KANSAS CITY (AP)—Former President Harry S. Truman, reported in satisfactory condition today after an emergency operation, probably will be able to leave the hospital in 10 days. His appendix and gall bladder were removed early yesterday. The 70-year-old ex-President was able to sit up in a chair for a brief period yesterday. He told his doctor he considered himself just another patient at Research Hospital and didn't want any fuss made in his behalf. Dr. Wallace Graham, his physician, who also was his personal doctor during White House days, said Truman should be able to leave the hospital in 10 days if all goes well. "Mr. Truman is a perfect patient," he said. "He expects you to know certain things and he expects you to be sure of them. Then he doesn't fuss or worry. He decides to get things fixed."

Cloudbursts Cause Flash Floods in Iowa

DES MOINES (AP)—Heavy rains, including torrential downpours at Fort Dodge, Sioux City, Mason City and Des Moines, broadened the Iowa flood peril Monday after a week-end marked by one flood drowning and hundreds of new evacuations. Fort Dodge, Mason City and Sioux City were the prime danger spots among the state's major cities. Conditions eased in Des Moines following a flash flood on Four Mile creek which drove over 50 families from homes and trailers. In Mason City, a fresh cloudburst drove 300 families from their homes in a 50 block area. U. S. Route No. 6 was re-opened in Des Moines after waters of a flash flood receded, enabling evacuees to begin returning home. Crop damage in the state ran into the millions. Iowa highways were blocked at many points. Walthill and Winnebago, Neb., small towns south of Sioux City, Iowa, were flooded. Flood water in Nebraska blocked highways 275 near Norfolk and 35 at Winside and was threatening the town of Pender. Two tornadoes were sighted in Nebraska but no damage was reported. The storms brought only limited relief from the stagnant, sultry heat that in Chicago, on this first day of summer, approached a record 11 straight days of 90 degrees or higher. Similar readings or higher were the rule yesterday from the storm area southward to the Gulf, and were expected again today. (Continued on Page 5, Column 3)

Hearing Held on Rogue Project

WASHINGTON (AP)—A Southwest Oregon delegation asked a House Interior subcommittee Monday to approve construction of the Talent division of the Rogue River Basin Reclamation Project. The group also sought approval of rehabilitation work on the Medford and Rogue River Irrigation Districts. The subcommittee scheduled a closed session Monday afternoon to consider the proposals. The Talent project is basically an extension of existing works of the Talent Irrigation District. It would provide facilities to put water to 9,250 acres now having an inadequate supply. Rep. Ellsworth (R-Ore.), who has introduced an authorizing bill, said the project would have an estimated cost of \$2,700,000, including \$7,300,000 for construction of a 16,000-kilowatt power dam. Power revenues would be used to aid water users in repaying costs allocable to irrigation.

To Draft Dewey For 4th Term

ALBANY, N.Y. (UP)—New York Republican leaders, backed by top members of the Eisenhower administration, pressured Gov. Thomas E. Dewey today to run for a fourth term. The "draft Dewey" move was started after the governor told close friends he had decided to quit public life and return to practicing law in New York City. While he indicated the decision was final, he still was willing to listen to GOP leaders. Republican State Chairman Dean P. Taylor was to meet with Dewey to discuss the state chief executive's political future. Taylor said all he knew about the governor's retirement plans was what he had read in newspapers and he still was hopeful Dewey would head the ticket again in November.

Steve Tabacchi Buys Livesley Property

Sale of a portion of the T. A. Livesley home property on Fairmount hill to Steve Tabacchi was confirmed Monday by Grabenhorst Brothers, realtors who handled the transaction. The sale involved a frontage of 150 feet on Lefelle street and extends southward for 100 feet. However, the Livesley residence is not involved. No announcement was made concerning the monetary consideration.

Congress Pays Tribute to Two

WASHINGTON (UP)—Congress met today to pay tribute to a Senator and a Representative who died within a matter of hours Saturday. Hawaiian delegate Joseph R. Farrington and Sen. Lester C. Hunt of Wyoming. The House and Senate will recess after eulogies. Farrington, 56, died of a heart attack in his office Saturday night. He had served as a Republican delegate from Hawaii since 1942 and friends said he worked virtually to the last minute of his life for Hawaiian statehood. Funeral arrangements have not yet been completed. Funeral services were scheduled this afternoon for Hunt who shot himself while at his desk in the Senate office building Saturday and died four hours later in emergency hospital.

Sunny Weather Fits the Season

Summer was on its way officially to Salem and area, Monday, to arrive at 2:35 P. M. And the weather man was most cooperative in welcoming in the new season, providing blue skies and sunshine befitting summer days. Moreover, the forecast calls for mostly fair weather tonight and Tuesday. The Sunday maximum went up to 74 degrees and there was no rainfall on the 24-hour report to 10:30 a. m. Monday. June has done right well in the precipitation department, however, a total of 2.18 inches being measured to date for the month against a normal of 9.1 of an inch for the period.

Weather Details

Maximum yesterday, 74; minimum today, 52. Total 24-hour precipitation in the month: 2.18; normal, 9.1. Season precipitation, 44.51; normal, 38.36. River height, 1.4 of a foot. (Report by U.S. Weather Bureau.)

103,000 Lumber Workers In Northwest Out on Strike

Smith Blames Geneva Failure On Soviet Tactics

WASHINGTON (AP)—Undersecretary of State Walter Bedell Smith flew home from the Geneva Conference on Southeast Asia Monday with a pledge that the West will continue "a sincere, patient effort" to negotiate an Indochina peace settlement. Smith blamed "inflexible opposition by the Communists" for failure of the Geneva talks to arrive at a permanent settlement for Korea. His return from the talks with the Reds precedes by only a few days a visit here by Britain's Prime Minister Churchill during which President Eisenhower probably will urge British cooperation in setting up an international conference on anti-Communist defenses in the vital Southeast Asia sector. (Continued on Page 5, Column 3)

Million Mark Reached at Post Office

Salem has reached the million dollar mark in the matter of postal receipts for a year's period. This is indicated in an unofficial manner by the amount of money written into the monthly checks received by certain supervisory officials of the post office. Postmaster Albert C. Graag stated that he had not been officially informed that the post office topped the million dollar mark during the calendar year 1953, but the checks received are an indication. Supervisory officials are given an automatic boost in pay at certain financial levels—whenever the amount of receipts are boosted by an additional \$500,000. Former salaries were based on a \$500,000 level and when the \$1,000,000 mark was reached the pay checks were boosted. While it was indicated locally that receipts for 1953 were over the million dollar point, confirmation had to come from the post office department in Washington, D. C. No additional pay to the supervisory staff will be forthcoming until receipts reach \$1,500,000.

Negotiations Continue for Settlement

PORTLAND (AP)—A big segment of the lumber industry in Oregon, Washington and California was shut down Monday as 103,000 workers went on strike. The walkout virtually closed fir belt operations in Washington and Oregon, and redwood operations in California. It also affected the pine industry of California and Nevada. Kenneth Davis, executive secretary of the AFL Lumber and Sawmill Workers Union said that while his union had struck most of the fir belt operations, he was encouraged by last-minute offers which ranged around 7 1/2 cents an hour. Additions to his optimism a few hours after the strike was called were reports of settlements ranging from 2 1/2 to 12 1/2 cents an hour. Coots Bay Signs Up A mill at Coots Bay, Ore., employing 100 men, agreed to pay the 12 1/2-cent increase demanded by both the AFL union and the CIO International Woodworkers. Negotiations also were continuing at the big Weyerhaeuser Timber Co. plant there. Dickey also said three firms at Port Angeles granted full demands of the union for a 12 1/2-cent wage increase and a three week vacation after five years' experience. (Continued on Page 5, Column 7)

Final Rites for Henry Collier

PORTLAND (AP)—Funeral services will be held here Tuesday for Henry E. Collier, 82, a practicing attorney in Oregon for 34 years. He was admitted to the bar in 1900 at Pendleton, where he was deputy district attorney for Umatilla County in 1904-05. He later moved here and was a member of the firm of Collier, Bernard, Bernard and Edwards. Active in political circles, he was a delegate to the Republican national convention in 1936 and was a member of the rules committee. He also was a delegate to the 1940 and 1944 conventions. Collier died Saturday of a heart attack. His widow, Maude, survives.

Bank Policies Eased on Loans

WASHINGTON (AP)—The Eisenhower administration further eased its banking policies Monday with a step which opens the way for nine billion dollars of additional credit to flow into the national economy. The Federal Reserve Board announced that over the next six weeks it will make a gradual reduction in the amount of reserves which member banks are determined to keep on deposit. The reduction will release about 1 1/2 billion dollars for use in expanding loans and investments. Since member banks may use the freed reserves for loans and investments up to about six times the amount released, the theoretical expansion of credit amounts to approximately nine billion dollars. The Reserve Board, in announcing the move, said it was acting "in anticipation of estimated demands on bank reserves during the summer and fall, taking account of probable private financing requirements, including the marketing of crops and replenishment of retail stocks in advance of the fall and Christmas sale seasons, as well as the treasury's financing needs. Prospects are that the treasury will borrow approximately 10 billion dollars to meet its cash needs between July and December.

Lost Boat Seen Off Brazil Coast

RIO DE JANEIRO (UP)—A Brazilian air force search and rescue plane reported today that it had sighted a 40-foot powerboat in which Robert P. Terrill, U.S. Embassy economic counselor, and three others had been missing since last Thursday. The search plane reported all persons aboard the craft appeared safe and well. The boat was sighted 40 miles off Ilha Rasa, the outermost island in the entrance to Guanabara Bay. A Brazilian navy cutter went out to bring the apparently disabled craft back to Rio.

Let Contracts for Dallas Dam Bridges

PORTLAND (AP)—Army Engineers announced Monday the award of two contracts for railroad bridges to be built above the Dallas Dam, where track must be relocated because of the dam pool. One of \$519,191 went to Lee Hoffman, Beaverton, Ore., and the other of \$77,120 to Louis Elterich Co., Port Angeles.

3 Jets on Longest Flights Attempted

RIVERSIDE, Calif. (AP)—Three B47 jet bombers took off from March Air Force base Monday for Yokota AFB, 35 miles north of Tokyo, in the longest nonstop flight ever attempted by jets. The 6,700-mile trip is expected to take 15 to 16 hours. There will be three refueling en route from KC97 tanker planes. The seven-wing bombers are powered by six jet engines each.

Find Lost Youth In Mountains

Bend (UP)—The 16-year-old son of University of Oregon business manager Orville Lindstrom was found safe in the Cascade mountains west of here today after he was reported missing overnight. The forest service here reported the boy was found this morning by state police who had joined a large search party. Fear had been expressed the boy might have fallen into a crevasse. A report reaching the forest service by radio said the boy was in good condition. He was found on Minto pass trail near Three Fingered Jack mountain. Leo Morton, fire guard in the Sisters area, said young Lindstrom had gone fishing with his father to Jack lake yesterday and became separated when he climbed a ridge to take a picture of Mt. Washington.

Cancel Air Flights

NEW ORLEANS (UP)—All commercial airline flights from here to Guatemala today were cancelled until order is restored in the Central American country.

Probers Delay Talks On McCarthy Hearings

WASHINGTON (AP)—Sen. Mundt (R-SD) said Monday senators could spend the next 20 years investigating the McCarthy-Army row, and still not get all the facts. But he told reporters he believes the 36-day televised public hearings at which he presided "brought out the salient facts." Mundt made the statement as he announced postponement of what he termed "consultative talks" to explore the points of agreement among the four Republicans and three Democrats who conducted the hearings. Mundt had called a meeting of the group for this morning, but it proved inconvenient for several members to attend. He said he hoped they could get together soon, and among other things

Weighty Problem

SALEM, Mass. (AP)—Railroad crossing attendants complained to police recently that thieves made off with the counter-balancing weights from their crossing gates.

OP&P Sawmill Workers Out

Approximately 140 employees of the sawmill division of Oregon Pulp & Paper company and an undetermined number of loggers were idle Monday as the northwest strike order of the Lumber and Sawmill Workers Union, affiliated with the AFL, reached the Willamette Valley. Monday afternoon, employees of the Capital Lumber Company and the B. J. Minden Lumber Company were in session at Salem Labor Temple to vote on whether they will join the strike. At Oregon Pulp & Paper Company the employees did not go to work Monday morning and the management said there was no indication of a break in the strike. This was indicated, too, by G. D. Hibbs, secretary-treasurer of Salem Local 2050 of the Lumber and Sawmill Workers. If the Capital Lumber Company workers vote to go out it will add another 65 to the idle. The cash and door division of the Oregon Pulp & Paper company plant is not affected by the strike. A meeting of the board of directors of the Oregon Pulp & Paper company has been called for Tuesday morning at headquarters of the lumber division. It is expected that Nils Teren of Portland, president of the company, will attend.

Bush Estate Set \$349,005

The estate of the late A. N. Bush, president of Ladd and Bush bank for many years, has a net value of \$349,005.55 for inheritance tax purposes, according to a report filed in Marion county probate court Monday. Gross value of the estate was placed at \$73,823.05 in a report to state treasurer. Of the total \$366,537.06 was in personal property. Administrative costs were placed at \$22,851.53. The amount of tax was placed at \$34,934.31. Chief beneficiaries and the amounts received included: Stuart Bush, grandson, \$143,989; Margaret Ann Bush, great granddaughter, \$71,994; Faye C. Livesley, \$71,994; Henry W. Compton, \$20,245; Sara Stewart, \$19,430; Martha Fuhrer, \$5,331; Ruth Ruenitz, \$6,831 and Mary Broer, \$2,006.

Mexican Plane Lost

MEXICO CITY (AP)—A Mexican military transport with 19 persons aboard is missing, the air force announced today. Those aboard were soldiers and their wives and families.

Maintenance Crews on State Highways Cut

Completion of Part Of Program Enables Maintenance Cuts

By JAMES D. OLSON Completion of a portion of the five-year highway construction program has brought about a reduction in highway maintenance needs, resulting in the laying off of approximately 50 maintenance and shop workers in the highway department June 30. R. H. Baldock, state highway engineer, announced Monday. Highway maintenance costs in Oregon have been fairly high due to the inability to replace worn out highway during the World War II period. In 1953 the highway maintenance costs totaled \$10,600,000. "The current five-year highway construction program made possible largely through the \$72,000,000 highway bond issues authorized by the 1951 and 1953 legislatures is beginning to show its effect," Baldock declared. New Roads Stronger Baldock said that the new roads throughout Oregon, being constructed under the present program are much stronger and wider than the older highways and will require far less maintenance work. "We are actually building maintenance into these new highways," the state highway engineer explained. Wider Highways All primary highways in Oregon, including U.S. Highway 99, U.S. Highway 30 and U.S. Highway 101 are being widened and in the main are being replaced by modern wide nonaccess highways. (Continued on Page 5, Column 6)

Insurgents Bomb Coban In Guatemala

Threaten Air Raids On Capital Which Is Under Martial Law

TEGUCIGALPA, Honduras (AP)—Insurgent leaders announced Monday the bombing of Coban, a garrison town in Central Guatemala, and threatened to bomb Guatemala City, the seat of President Jacobo Arbenz Guzman's Communist-supported government. All residents of the capital were urged in a clandestine radio broadcast of the Guatemalan anti-Communist "Liberation Army" to take cover—an obvious bid to shake the grip Arbenz has sought to clamp on the country through imposition of martial law. Headquarters of the resistance movement in Tegucigalpa told of the bombing of Coban Sunday in the land, sea and air campaign to overthrow the Arbenz regime. Coban is a town of about 7,000 population in the highlands 60 miles north of Guatemala City. Rumors Denied The planes were reported to have taken off from Esquipulas, a southern Guatemalan town of 2,750 known chiefly for a Roman Catholic church dating from 1737 and a figure of Christ carved in dark colored wood that is known as the "Black Christ of Esquipulas." (Continued on Page 5, Column 8)

Summer Here On Calendar

Summer came to Oregon at 2:55 p.m. today and much of the state got summer-like weather. Temperatures near 90 were forecast for parts of southern Oregon and the weather bureau said warm, dry conditions were expected to continue over the state through Tuesday. A small disturbance was reported off the Oregon coast and small craft warnings were up from Newport south to Cape Blanco for winds up to 35 miles per hour, decreasing tonight. But the forecast called for mostly fair weather except for increasing clouds in north Oregon Tuesday. Several temperatures in the 80s were reported yesterday with Medford reporting an 88. The Columbia river at Vancouver, Wash., after rising to above 20 feet Saturday, dropped to 19.3 today and a slow fall was expected for the next two days.

Test of Budget On Foreign Aid

WASHINGTON (AP)—President Eisenhower's 3 1/2-billion-dollar foreign aid budget for next year—a prime target for economy advocates—gets its first test this week. The House Foreign Affairs Committee starts today to decide the actual amounts it will propose authorizing for the year beginning July 1. The final bill may be ready for House action later in the week. The committee, meeting behind closed doors, already has partly reworded the program to replace some outright economic gifts with loans and the use of surplus food. Efforts to cut the total are anticipated, both in final committee sessions and on the House floor. The measure would set a ceiling on the aid program, with the actual appropriations voted later, perhaps after further trimming.

Admit 30 U.S. Civilians Held in Chinese Prisons

GENEVA (AP)—The Chinese Communists confirmed Monday they are holding 30 American civilians in prison, but said one civilian and a number of military personnel listed by the United States as detained were either dead or missing. This information was passed on to the United States in the fourth meeting between representatives of the U.S. and Chinese Communist delegations on the exchange of detained persons. The United States agreed to permit 15 detained Chinese nationals to leave the United States and return to the China mainland. The Chinese, on their side, supplied preliminary information on the list of approximately 83 American civilian and military personnel believed by the United States either to be in prison or to be prevented from leaving China. The Chinese said W.L. Winter, a missionary, had been arrested

Compromise On Rivers Bill

WASHINGTON (AP)—A House-Senate Conference Committee announced Monday it has agreed on an appropriation bill carrying \$457,071,300 for Army civil functions, mostly for navigation and river projects. The bill represented a compromise between totals voted by the House and Senate. The house had approved \$430,963,700 and the senate hike it to \$484,095,500. The total compares with President Eisenhower's budget recommendation of \$465,160,000. Of the total \$436,379,100 is for planning, construction and operation of flood control and rivers and harbors projects by army engineers. The amount for construction is \$390,367,600. The compromise now goes to both the house and the senate for consideration. The compromise bill would provide construction and planning funds for these projects. Oregon: Lookout Point Reservoir \$3,000,000; McNary Lock and Dam \$24,000,000; The Dalles \$36,000,000; Willamette River bank protection \$300,000.

Loyalty Oath in Civil Defense Legal

The loyalty oath required by the Oregon civil defense law is constitutional and must be taken by all civil defense workers, Otty, Gen. Robert Y. Thornton ruled Monday. The opinion was sought by the State Welfare Bureau as the result of a case in which a Multnomah County welfare worker, Miss Katherine Patten, refused to take the oath and was discharged. Multnomah County welfare workers are enrolled as part of the county's civil defense team.