

THE WEATHER

PARTLY CLOUDY tonight and Thursday. Night and morning fog. Little change in temperature. Low tonight, 32-34; high Thursday, 46-48.

Demos Caucus, House Leaders All Re-elected

Organizing On for Congress Start Thursday

WASHINGTON — House Democrats today re-elected all officers from the 84th Congress. They took no action against members who failed to support party nominees in the November election.

C. C. President Picks Leaders Of 8 Divisions

Holloway Heads Civic Unit; Thompson to Head Industry

Claude A. Miller, president of the Salem Chamber of Commerce, announced Wednesday his appointment of chairman and two vice chairmen of each of the eight divisions of the chamber organization.

Each of the chairmen, working in consultation with the chamber management, will appoint other division members who will be announced later. The members of the eight divisions vary in number.

The appointments announced Wednesday and the business connection of each are:

Civic division—Harry Holloway, Pacific Telephone & Telegraph Company, chairman; Ed Clark, of Marsh, Marsh & Dasher, attorneys, and Paul Bale, of Roon Typewriter Exchange, vice chairman.

Thompson Industrial—Chairman Industrial division — Elton H. Thompson, United States National Bank, chairman; Russell E. Pratt, Capital City Transfer, and E. Burr Miller, of E. Burr Miller Oil Company, vice chairman.

Metropolitan planning — G. F. (Ted) Chambers, Cascade Meats, chairman; William H. Hammond, Commonwealth, Inc., and Roy Harland, attorney, vice chairman.

Commercial division — Elmer O. Berg, Berg's Markets, chairman; Sharkey Arbuckle, Arbuckle Shoe store, and Leonard L. Kremen, manager of Lipman's, vice chairman.

Leth Heads Agriculture — Agriculture and natural resources — Walter Leth, Blue Lake Packers, chairman; Chester Lee, First National Bank of Portland, and Ben Newell, Marion County agent, vice chairman.

Conventions, visitors, recreation — Junior Eckley, Blue Lake Packers, chairman; Leslie Davis, Valley Motor Company, and P. H. Brydon, Brydon's Nursery, vice chairman.

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TOUGH LINE INDICATED

Khrushchy Backtracks, Lauds Stalin Method

MOSCOW — Soviet Communist party boss Nikita Khrushchy has backtracked on his denunciation of Stalin.

Remarks by the party chief at the Kremlin New Year's Eve party were interpreted as further indication of tough measures to combat moves by the satellites toward independence from Moscow as well as an effort by Khrushchy to bolster his own position.

Asian diplomats reported that Khrushchy, in giving a toast at the party, said:

"Stalin was a great fighter against imperialism. He was a great Marxist. The imperialists call us Stalinists. Well, when it comes to fighting imperialism, we are all Stalinists."

This appeared directed particularly at the satellites, since the official line since Khrushchy's February speech has been that Stalin's mistakes in his latter years outweighed his achievements, and that the present Kremlin command could not be blamed for those mistakes because Stalin acted without consulting them.

Khrushchy's latest remarks lauding his former chief followed the line laid down last week in a lengthy statement by the Chinese Communist Politburo. An editorial on this from the Peiping People's Daily was widely reprinted in the Soviet press.

Western diplomats generally boycotted the Kremlin reception, but several neutral non-Asian confirmed the gist of what Khrushchy was reported to have said.

March of Dimes Campaign to Get Under Way



Distribution of containers for March of Dimes contributions, such as are pictured above, is scheduled to get under way this week. The annual campaign to provide aid for those stricken by polio will be launched here Thursday with a kickoff luncheon at noon at the Senator hotel. (Capital Journal Photo)

Negro Shot by Officer on Bus In New Orleans

NEW ORLEANS (UP)—A policeman shot a Negro on a crowded bus here today during a fracas in which the Negro pulled down two segregated seating signs and threw them out the window.

Patrolman Frank Lovoi shot Frank Jones, 24, in the back. He was rushed to Charity Hospital, where his condition was reported serious.

Bus driver Lloyd Alexander, 36, said Jones first threatened him with a knife, then threw the signs out of the bus and demanded the driver's coin changer. The Negro was quoted as saying "as long as we're at it, you might as well give me the money."

Two patrolmen in another bus got off quickly and stopped Jones as he tried to escape from the bus.

Lovoi said Jones slashed three officers at Charity Hospital, but missed. Lovoi said he knocked Jones down with a blow on the head with his revolver.

Lovoi said he shot Jones "in the confusion of the fighting."

At the hospital, Jones denied that he had a knife.

But police said they had a four-inch knife at headquarters that Jones had thrown in the street as he left the bus crowded with early morning workers.

Jones also denied that he tried to rob the bus driver.

CAA Relaxes Air Security

WASHINGTON — The Civil Aeronautics Administration (CAA) announced Wednesday an easing of the rules for defense security control of air traffic.

Effective immediately, airplanes leaving the United States no longer will be subject to its security rules. Heretofore, such aircraft have been required to file periodic reports, identifying themselves and their position, as long as they were 500 miles or less offshore.

In contrast with the line he laid down in his "de-Stalinization" speech at the Communist Party Congress last February, Khrushchy was quoted as telling the Kremlin party members:

"Men of action make mistakes and Stalin had done so much good that one must overlook his mistakes."

One Asian diplomat reported the party boss also said, "Stalin made mistakes, but we should share responsibility for these mistakes because we were associated with him."

20 Convicts Refuse To Eat for 3rd Day

Small group has had no apparent effect on the remainder of the 1500 inmates of the penal institution.

Alcatraz-Type Prisoners Convicts engaged in the demonstration, Warden Clarence Gladden said Wednesday, are the type who, if confined in the federal prison, would be shipped to Alcatraz prison in San Francisco Bay, where the hardest and most vicious criminals are housed by the U.S. government.

Gladden said he was not giving out a list of the non-eaters because "publicity is their main hope and purpose."

The troublemakers are housed in a separate building, completed several years ago, containing individual cells. The inmates in segregation get the same food as is offered other prisoners and are allowed to listen to radio programs by use of ear phones and receive packages, after careful inspection, from friends on the outside.

Not Allowed to Mix The only privilege removed is being allowed to mix with other convicts in the prison or on recreation grounds.

The isolation ward is also located in this building, where convicts have individual cells, no radio, and are on an unseasoned restricted diet. Convicts sent to isolation usually remain there for about seven days.

Gladden said only those prisoners who are flagrant violators of the prison rules, or who attempt to escape or attack another prisoner, are sent to the segregation building.

"The main purpose is to get these troublesome convicts out of circulation with other convicts," Gladden said. "In many cases when we allow a convict to return to the main prison, he immediately gets into trouble and goes back to segregation."

Warden Gladden reiterated that he would take no steps to end the hunger strike in segregation. Instead, he said, he would allow it to run its course.

Girl Assaulted In Teen Kidnap

PORTLAND (UP)—A 13-year-old girl told police a trio of teenage boys forced her into a car at knife point last night and that she was taken to a desolate area and sexually assaulted.

The girl said she was returning home from the St. Johns theater when she was stopped. She said one youth held a knife against her and forced her into a car. She was driven to a desolate area where one of the youths assaulted her, police said.

It was the fourth incident of juvenile violence here since Saturday.

Weather Details Maximum yesterday: 41; minimum today: 31. Total 24-hour precipitation: .01. For month: .29. Forecast: Partly cloudy, 39-48. Wind: S. 10-15 mph. Visibility: 4-6 miles.

Hungary's Cops Quell Flash Riot

Trucks Ram 2,000 Angry Shoppers, Scatter Them

By CHARLES W. RIDLEY United Press Staff Correspondent

VIENNA (UP)—Hungarian police and militia crushed a flash riot against Communist strongarm methods today by driving their trucks into a shouting, jeering crowd of 2,000 shoppers in Budapest.

The demonstration began in front of a state-run department store which opened its doors for the first time since the Hungarian rebellion started in October. It was broken up by powerful police and militia forces within a half hour.

Police used their clubs, but not their guns. The initial group of policemen on the scene was unable to cope with the anger of the crowd. But when reinforcements arrived, they drove their trucks straight into the ranks of the demonstrators and scattered them.

No serious injuries were reported.

Insults and Jeers United Press Staff Correspondent Jack Meehan reported that he was standing in the street near the scene in Budapest when the Hungarians' still smoldering hatred of the police erupted into open insult, shouting and jeering that culminated in the demonstration.

Government announcements in the press and over Radio Budapest had drawn some 1,500 persons to the Magyar Divatszarnok, a famous department store which had been destroyed during the revolt and whose goods had been transferred to the shop which opened today.

Strong police and militia forces stood with their tommyguns shouldered and watched the happy, jostling line of shoppers which snaked for two blocks along Andrássy St. and coiled around a corner.

A group at the head of the shoppers' line was let into the store at 12:35 p.m.

The long line of shoppers surged forward with more jostling. Nervous police at the head of the line clutched their weapons in front of their chests and tried to shove back the crowd.

Crowd Blocks Street This action apparently changed the good natured mood into one of anger. Within a matter of seconds, the crowd became a shouting, jeering mass.

Additional 500 persons suddenly converged across Andrássy. (Continued on Page 5 Column 6)

'Dick' to Boom Wayne for '60 National Race

WASHINGTON (UP)—Sen. Richard L. Neuberger (D-Ore.) yesterday announced formation of an organization to boom Sen. Wayne Morse (D-Ore.) for a place on the Democratic national ticket in 1960.

Neuberger said the group—the National Friends of Wayne Morse—proposes to boost Morse as "an outstanding leader of American liberalism." The move has received "voluntary and enthusiastic support" from all over the country, he said.

Neuberger said the organization was formed "solely from a profound conviction that the country needs the services at the head of our government of a man of political courage and tested liberalism." Wayne Morse tested these qualifications.

He said Morse knew nothing of the decision to form the organization. Officers include Neuberger, chairman; John H. Travis of Hood River, Ore., head of the Oregon Friends of Wayne Morse; and Hugh H. Earle, treasurer of both the Morse and Neuberger senatorial campaigns.

Antarctic Ice Traps, Damages Navy Ships

By DON GUY MCMURDO SOUND, Antarctica — A great ice floe, driven by near-hurricane winds, slammed the U.S. Navy freighter Arneb against the coast of Antarctica's frozen Ross Sea New Year's Day. An iceberg ripped a five-foot hole and a series of cracks in the Arneb's hull.

The powerful icebreaker Northwind crunched to the side of the stricken ship. Ice chunks bent one of the Northwind's propellers. Wednesday, both ships were trapped in the grinding ice pack, struggling to fight free.

Capt. Neils C. Johnson of the Arneb radioed that water was trickling through the cracked hull. He said the "flood-water under pressure" was forcing its way into the ship.

Authorizes P.T.&T. to Increase Rates \$2.2 Million

Boost Million Under Firm's Request

By JAMES D. OLSON Capital Journal Writer

Public Utility Commissioner Charles H. Heltzel Wednesday granted a portion of the request of the Pacific Telephone and Telegraph company for increased rates and denied a part.

The company requested increased rates totaling \$3,320,000 which would have produced a return of 6.7 per cent. Heltzel, instead, restricted the company to a return of approximately 6.32 per cent amounting to about \$2,268,000.

Rate Increases Given The approval will result in increased exchange rates. Approximately 69 per cent of the phone users will pay 30 cents or less monthly with the higher increases falling on business phones and PBX service.

About 7 per cent of the customers, principally those having individual line business service and PBX exchanges, will have increases of \$2 or more a month.

Heltzel said in his order that the increases granted are required by the company to maintain its expansion program, as well as to meet increased operating costs. He pointed out that a return which does not meet the capital requirements of a utility would be confiscatory and unlawful.

Effective January 15 The new rates approved by Heltzel became effective January 15. The company filed its first revised tariffs early last September. These were suspended by Heltzel. Thereafter the company submitted a further tariff revision seeking an additional \$32,000 which the commissioner denied in his Wednesday order.

The telephone rate hearing was of short duration and did not involve introduction of various rate base theories. Heltzel said, but was confined to the matter of reasonable return on the original cost of the company's property, less depreciation in light of increasing costs and diminishing returns.

In Portland, Frank Dressler, company vice president for Oregon, said the firm was "disappointed because we asked for only the absolute minimum rate we require to provide Oregon people with the kind of telephone service they want and need. We will study the effect of the new rates on our operations to determine what may be necessary in the future."

State Officers Capture Three Jail Escapees

Three men who escaped from the Harney County jail at Burns Tuesday morning were captured six hours later at Gervais by two state police officers.

The three escapees were: Richard A. Perkins, 22, Drew, Ore.; held at Burns for transportation to the state penitentiary on a forgery sentence; Leonard Joseph Queener, 20, Burns, who was doing a six-month sentence on a contributing charge; and Lester Marion Ellege, 24, Willis, Calif., who was arrested at Burns Monday night on a burglary charge.

The men, who escaped in the jailer's car, were spotted on Highway 99E north of Salem by State Police Officer Henry Hepler early Tuesday afternoon in the stolen vehicle. He followed them into Gervais where, assisted by State Patrolman Ray Judson, he put them under arrest.

The men got away from the Burns jail about 8:30 Tuesday morning by pouncing on the jailer when he entered their cell with their breakfast. They bound him in a cell, stole his car and drove west over the South Santiam highway.

Officers from Burns were to pick them up here Wednesday.

Sun 'Dazzles' Valley But Fog Due to Return

Patches of blue sky and glorious sunshine occasionally brightened the weather picture for Salem and the valley, Wednesday.

But the weatherman warned there would be night and morning fog again.

Packed snow and some ice have made more hazardous travel conditions for the mountain passes of the state, the highway commission warned this morning. Chains are a necessity on several routes and it is the safe thing to do to have chains along through all mountain routes.

Five-day outlook calls for temperatures to be a little below normal. Some rain is in prospect, occurring mostly Sunday or Monday.

20 Killed as Storm Rips Oil Platform

PERSIAN GULF DISASTER

MANAMA, Bahrain — Oilmen disclosed Wednesday a storm had wrecked a 1½ million dollar offshore drilling rig, left 20 Arab workers dead or missing and dealt a crippling blow to a four-year hunt for oil under the Persian Gulf.

The disaster struck a 1,200-ton steel floating tower of the Shell Oil Co. last Thursday night in the shallow waters of the Gulf that separates the rich oil fields of Iran and Saudi Arabia.

A spokesman for Shell, which had invested more than 25 million dollars in the maritime search, said: "Although the platform is still standing, it is doubtful whether it can be salvaged. An examination is being made by experts from abroad."

The rig was being prepared for removal to a drilling site in deep water. Weather forecasts had indicated a low could be started during the night, but a northeast-erly tempest sprang up. The wind damaged the two 1,800-ton pontoons on which the drilling platform — its main deck a huge 40 x 140 foot living and working area 40 feet above the water, — was mounted for towing.

A heavy swell came on, with 20-foot waves. Under the swell, the crossbeams connecting the pontoons snapped like glass rods. Despite desperate efforts by three tugs, the loose pontoons smashed against the drilling platform. Heavy equipment broke off and crashed into the gulf.

Orders were given to abandon the platform and 250 men jumped, dived or slid into the raging waters in complete darkness. Most of them reached the accompanying tugs.

Road Toll at 'Normal' 420, But Sets Record

California, which had the worst record in the nation with 73 deaths during the Christmas holiday, again led with 38 highway deaths. Texas came second with 34, followed by Pennsylvania with 24, Michigan 23, Illinois 21, Ohio 19, North Carolina 16 and New York 15.

New Year's Deaths 70 Below NSC's Predictions

By UNITED PRESS The nation set a new record for highway deaths during the New Year's holiday today but fell far short of the grim predictions of safety experts.

It appeared the final toll for the holiday would be about 420, considered "normal" for a four-day weekend at this time of year. This compared with the National Safety Council's predictions of 490.

Ned H. Dearborn, president of the council, said motorists and law enforcement officers "teamed up to make our preholiday estimate way high."

"Our thanks and congratulations to them for proving us wrong," Dearborn said.

New Record Set Nevertheless, the death toll topped the old mark for a four-day New Year's holiday. This was 47, set in 1953.

A United Press count at 8 a. m. PST showed 409 persons killed in traffic from 6 p.m. Friday to midnight Tuesday. Another 61 persons died in fires, 5 in plane crashes, and 111 in miscellaneous mishaps for an overall toll of 586.

Hospital Fire Routs Patients

SAVANNAH, Ga. — Patients were routed from Charity Hospital Wednesday by flames breaking in the attic about 4:20 a. m.

Thirty-nine persons were removed first to the ground floor of the building and, finally, as water used to combat the blaze began to accumulate there, to the larger Chatham Memorial Hospital.

None suffered any injury during the transfer in the early morning chill.

Two firemen received cuts battling the blaze.

The fire was officially under control just before 6:30 a. m. Damage to the Negro hospital and its equipment was undetermined, but spokesmen said it would be considerable, especially from water dripping down from the upper lower stories.

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Texas Girl's Slayer to Get Light Penalty

DA LAS TEX. (UP)—A teenager with a six-year criminal record, who admitted killing a 12-year-old girl, will be charged with murder today. He probably will escape serious punishment because he is a juvenile.

Police Capt. Will Fritz said the youth, Simon Rodriguez, 16, admitted shooting Janet Irene Mangon twice and beating her. A coroner said the girl was raped, but Rodriguez denied he had sexually assaulted her.

Rodriguez has a police record from the age of 10. He was involved in the arson of a school in 1955.

News in Brief

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