Tries to Prevent Cost of Living Rising More

WASHINGTON (AP) -President Eisenhower said
Thursday he is trying to
slow down the rate of government spending in an

ton in his left ear.

Not Going to Arizona
Asked ahout reports that he might go to a warm, dry climate like Tucson, Ariz., in an effort to shake the cough and cold, Eisen-hower noted that both Vice President Nixon and Secretary of State Dulles are out of the country at let go. It tore off the tanker's starboard side—the blast let go, it would be rather awkward for him to leave Washington. As Galveston, Texas, one of the misfor federal spending and prospects for find to leave washington. As for federal spending and prospects sing, was standing with some of for cutting the administration's \$71,800,000,000 budget for the fiscal year starting July 1, Eisenhower said he has ordered a study bow of the freighter as it started

for federal spending and prospects for cutting the administration's \$71,800,000,000 budget for the fiscal year starting July 1. Eisenhower said has ordered a study to determine whether the rate of government spending can be reduced. He made that statement after a reporter reminded him that the cost of living, as reported by the government, still is on the risc.

Slaw-up Might Help Eisenhower said at this point he knows of no program in the budget which should be abandomed, but that slowing up the rate of spending might help to keep prices from going up more. Eisenhower said the living cost situation is being watched carefully by the administration. He added that a cut in the rate of spending would serve to take just that much pressure away with respect to inflation.

Eisenhower opened the news conference, his first since Feb. 6, with a request that any of the 228 reporters present who ask questions speak out distinctly because he was having some trouble with his hearing.

The first question put to him (Continued on Page 5, Col. 7)

New St. Mark

Sheet of Flame

The sheet of fiame fired the bow of the freighter as it started bow of the sheet of flame fired the bow of the freighter as it started bow of the stern of the tanker, jutting away.

Ten hours after the collision the stern of the tanker, sutting away.

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Ten hours after the collision flow the stern of the tanker, sutting away.

Ten hours after the collision flow of the derectly. Little hope was held that Captain Allen and Legish other missing men could have survived the tremendous blast and the resultant fire.

Capt. Alexander Kaare of the Elna, an Estonian vessel of Librain registry, said his ship was about an hour out of Wilmington, Del., when he sighted the tanker.

We blew our whistle to signal the which about the which about the which again but they didn't acknowledge the signal in any wy."

Only Navy Bell

On the

New St. Mark Church Start Ceremony Set

Ground for the new \$365,000 St. Mark Lutheran church, Marion and Winter streets, will be brok-en at 3 o'clock Sunday afternoon, with Rev. John L. Cauble, pastor, in charge of ceremonics. This was determined Wednesday

night during a meeting of the church council. The contract was awarded to Erwin E. Batterman at the meeting.

The cost of the entire project,

Including furnishings, is expected to run slightly over the half mil-lion dollar mark. The church, which has been in

The church, which has been in the planning stage for more than two years, was designed by Architect Harold E. Wagoner of Philadelphia. Williams, Salem architect, will supervise construction.

Opposed Only by Coos Sen, Carl Francis (R), Dayton, answered that the \$30,000 appropriation for the committee would hold travel to a minimum, and that the people wouldn't stand for it.

porary architecture and express-ly functional. The exterior will be of Colorado pink stone, Vermont marble and cut stone trim. It porary architecture and expressby functional. The exterior will be
ostiton to elimination of marketof Colorado pink stone, Vermont
marble and cut stone trim. It
will have a free-standing tower 65
fore the Oregon House committee
on forestry and mining.
County officials, from
other
for more than 700 persons, while
Sunday school facilities will be resentatives of the timber industry.

30 AUTO DEATHS IN MONTH
Thirty persons met death on
Oregon highways last month, sendmarketing area law by a resoluing the state's traffic fatality total
ing the state's traffic fatality total
ing the state's traffic fatality total
ing Judge F. L. Phipps, secretary
told the committee. reet nigh. The nave and balcony will have seating accommodations for more than 700 persons, while Sunday school facilities will be provided for more than 500 on the

Sunday school facilities will be provided for more than 500 on the ground floor and in the administration wing.

An additional educational unit, originally planned, will not be constructed at this time.

Assisting Rev. Cauble in the ground-breaking ceremonies will be Rev. O. W. Ebright. D.D., pastor of Good Shepherd Lutheran church and the Rev. Warren Pechman, pastor of Faith Lutheran.

CJ Spotlight On Dallas

The progress of a small, farming community into a city of diversified industry is related for Capital Journal readers Thursday in the weekly special Cities of the Valley

ballas, a close neighbor to Salem just nine miles west, is the subject for today's story Capital Journal writer Ber Maxwell. Solid industry and attractive residential areas plus exciting community spirit are all a part of the Dallas story. See Section 3, Page 10.

Ike Seeks Spending Slow-up Tries to Prevent Slow-up Tries to Prevent

big Navy tanker collided with terrific force in the lower Delaware River early Thursday, touching off a blast that set fire to both vessels. The tanker set

tled to the bottom in shallow

ernment spending in an effort to keep living costs from rising still more.

Eisenhower also told a news conference that his lingering cough now has developed into a cold in the head and that he is having difficulty hearing.

At the same time, however, Eisenhowers aid the cough which has been bothering him for several weeks is better.

Eisenhower's voice was quite husky and he coughed a couple of times during the meeting with newsmen. He had a piece of cotton in his left ear.

Not Going to Arizona

owed with the freighter ram-ning the tanker.

The Mission San Francisco

Weather Details

Maximum yesterday, 57; minimum today, 43. Total 24-hour precipitation: 1.24; for month; 2.53; normal, 1.62. Season precipitation, 21.32; normal, 3.64. River height, 11.8 feet, rising slightly. (Report by U. S. Weather Burraul.)

Late Flashes

WASHINGTON, In — Mayor Terry D. Schrunk of Portland, Orc., Thursday described as "fantastic" testimony before the Senate rackets committee that he had taken a \$500 bribe from the operator of a gambling club

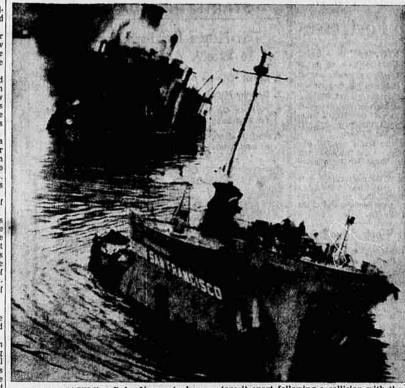
HONOLULU, (UP)—Secretary of State John Foster Dulles ar-rived here today en route to Australia for a meeting of South-

Gambler B_____ Schrunk,

Salem, Oregon, Thursday, March 7, 1957 Entered as second class

1500015 95-656L 2 Portland Police Testify

Tanker Rests on Bottom After Crash



tore it apart following a collision with the freighter S. S. Eina II early today. (AP Wirephoto)

The resolution provoked an hour

senate voted 18-12 against a mo-tion to send it to the ways and means committee.

Salem Bidder Low on Blind School Work

A Salem contractor has submited the low basic bid on four construction projects at the Oregon School for the Blind. But, award of the contract may be based upon alternate bid items. The state board of control is to

by H. G. Carl Construction Co. with an offer of \$385,190 to con-

The Mission San Francisco though owned by the Navy was with an offer of \$385,190 to conassigned to the Military Sea Transportation Service and operated by Mathiasen's Tanker Industries, Inc., Philladelphia, under contract to haul oil for the Navy. It carried a civilan crew. It was coming up river, enroute from New York, to take on cargo at nearby Paulsboro, N.J. other two for deductions.

tion building, gymnasium and dining hall at the school.
In addition to the basic bid, contractors also bid on three alternate plans. One calls for an addition to the project and the other two for deductions.

Viesko & Post, another Salem firm, was second low bidder with a \$386,400 offer. Other Salem bidders were E. E. Batterman, \$394.

5000, and Robert Morrow, \$396,748.
High bidder was a Portland firm, Lorentz Brunn with a \$450,600 figure.

State Senate Favors Five-Man Probe Unit By PAUL W. HARVEY, JR.

Associated Press Writer

The Oregon senate approved 23 to 7 Thursday a revolutionary proposal to create a five-senator committee with un-limited powers to investigate anything in connection with

limited powers to the state government. The resolution, which goes to the House, provides that the inves-tion group would serve betigation group would serve be-tween legislative sessions, and retween legislative sessions, and redecide on the project at a meeting Thursday afternoon.

The low basic bid was given the low basic bid was given the low basic bid was given the H. G. Carl Construction Co.

ment."

He pointed out that Gov.

Holmes could designate the com-

mittee to investigate problems for

Forest Area Abolition

Construction of the committee could "go to keep of the could be an agency where people could take their complaints about treatment by state agencies. Sen. Dan Dimittee could "go to keep of the could be an agency where people could take their complaints about treatment by the could be an agency where people could take th

COMEBACK AT 74

By JAMES D. OLSON
Capitat Journal Writer
Coos county offered the only opposition to elimination of marketing areas on state forest lands at
The association of Oregon coun-

De Valera Regains Power in Ireland

The proposal to eliminate such arcas."

Rep. Clarence Barton, Coos county, urged an amendment to permit marketing areas in Coos and Spined by Rep. Carl Back of Coos and Curry counties and Mayor George Burr of Coquille.

Barton contended that marketing areas on 6,000 acres of state-owned lands would provide timber for small operators who are facing difficulties because of the dwinding of timber.

Mayor Burr said that 75 per cent of the small operators in Coos down because of shortage of timber.

The bill, repealing authority for establishing I umber marketing areas, is in line with present trends, John Buchanan, president of the Western Forest Products as sociation said.

There should be no strings or There should be no strings or Interest and the strength of the Western Forest Products as sociation said.

The Watern Forest Products as sociation said.

The Watern's formal two formal to partial ment thursday in a drama-bard transplant the political comeback.

This means the old fighter — Into political comeback.

This means the old fighter — Into partial ment to design and nearly blind — will hat is only a formality when one party has an over-all majority.

De Valera's Fianna Fail party — basically conservative on donestic issues — picked upstrength as noised the partial ment thursday in a drama-bard the political comeback.

This means the old fighter — Into political comeback.

This means the cold fighter — Into political comeback.

This means the cold fighter — Into partial ment to political comeback.

This means the cold fighter — Into partial ment to destine party when one party has an over-all majority.

De Valera's Fianna Fail party — basically conservative on donestic issues — picke d upstrength as noised party and the control of the Irish advance to party and ready as opposite to party and ready has nailed fine party and party — basically conservative on donestic issues — picke dupstrend the result of the strength and the control of the Irish advance to party and ready has nailed fine ground the party and sociation said.

"There should be no strings or day's voting.

"There should be no strings or curtains thrown around any block; De Valera's formal elevation to the worsening economic condition.

Final OK 350-60 House Vote Sends Resolution To President

Mid-East

Aid Gains

WASHINGTON (AP)- UNEFFinishes The House Thursday passed and sent to President Eisenhower a resolu-

Gent Eisenhower a resolution declaring the United States
is willing to fight if necessary to
resist Communist aggression in
the Middle East.

The roll call vote was \$50-60.
The House acted by quickly
adopting the Senate version of the
resolution which Eisenhower
sought on an urgent basis two
months ago. The Senate finally
passed the bill Tuesday night,
72-19.

The measure also gives Eiser hower greater leeway in spending 200 million dollars in military-economic aid to the troubled area

economic aid to the troubled area between now and July 1.

The House, which originally passed it in administration-requested form Jan. 30 by a 355-61 count, stamped final approval on the resolution as modified by the Senate only after a last-minute flurry of pros and cons.

House Democratic leader McGormack (Mass) said it is now to

Trough Democratic leader Mc-Jormack (Mass) said it is now up o Eisenhower to carry out the Middle East resolution. "It's his responsibility" Mc-Cormack said, adding:

"It's his responsibility" Mc-Cormack said, adding:
"The Democratic control of Congress has given to the country and to the world leadership of an outstanding and courageous nature. . . Let us hope the President, who is the sole repository of foreign affairs under our form of government . . will proceed affirmatively with sound judgment and with courage."

Accused Man Ends His Life

Book Stacks Ready for YMCA Fair

March 8,9

sale. Here two of the YMCA staff, Miss

Alberta Sappenfield (left) and Mrs. Philip

Yoder, get an early look at the big stock.

(Capital Journal photo)

Books, more than 6,000 of them, will be

sold at the YMCA Friday and Saturday during the annual YMCA Used Book Fair.

A team of volunteers was hard at work

Thursday getting the books sorted out for

Mayor Brands Story a 'Frame'; Rain Sets Solons Cite Alleged Donor Of \$500 for Contempt

WASHINGTON (AP)-Two Portland, Ore. police officers and another man testified Thursday they saw what appeared to be the transfer of a package or manila envelope from the operator of a raided gambling house to former Sheriff Terry D. Schrunk.

Schrunk, now Democratic mayor of Portland,

**Called it "a frame" and promised
to say "a lot" when he is called
later as a witness before the special Senate investigating commit-

Its Occupation
Of Gaza Strip

But New Storm Clouds

Arise Over Israeli
Ship Demands

By United Press

U.N. forces completed the occupation of Gaza today.

But new storm clouds already were arising over Israel's renewed demands for freedom of shipping through the Suez Canal and Egypthrough the Guil of Aqaba, from whose shoreline Israeli forces will withdraw Friday.

To Be Open Waterway

Mr. Eisenhower said the United States is prepared to use the guilt and the Straits of Tiran as an open, international waterway.

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To en open the suid Sea A withess before the spain in quirty, ha

through the Guil of Aqaba, from twhose shoreline Israeli forces will withdraw Friday.

To Be Open Waterway
Mr. Eisenhower said the United States is prepared to use the guilf and the Straits of Tiran as an open, international waterway.

Maj. Gen. E. L. M. Burns, commander of the U.N. Emergency
Forces, reported his troops completed the takeover of Gaza under cover of darkness at 4 a.m. The last Israell men and equipment pwere withdrawn to a small camp in near Rafah on the Israeli-Gaza chorder. They were to be out by the land."
"I've Run Elkins Out'
"I've always enforced the law."
Schrunk told newsmen. "I've run
Mr. Elkins out of Multnomah
Caunts" mander of the U.N. Emergency
Forces, reported his troops completed the takeover of Gaza under
cover of darkness at 4 a.m. The
last Israell men and equipment
were withdrawn to a small camp
near Rafah on the Israeli-Gaza
border. They were to be out by
sundown.

It was learned that Burns would
move his headquarters to Gaza
Gity, prohably during the weckend.

Mr. Elkins out of Multnomah
County."

Bothrunk and Portland city councult members are elected on a nonpartisan basis. It has been testiplied that Teamsters Union officials swung their political support
to Schrunk last year after Republican former mayor Fred Peterson refused to "cooperate" in
"opening up Portland" to vice.
Patrolman Tiedemann testified
that he was present at the time

The curfew imposed on Gaza's

lion to send it to the ways and means committee.

Democrats voting against the measure were Cook, Corbett, Sweetland and Thiel. The Republican opponents were Belton, Husband and Leth.

The House completed legislative netion on a memorial asking the federal government to deepen the Columbia river ship channel between Portland and the ocean from 35 to 40 feel, and to widen it from 500 to 750 feet.

The curfew imposed on Gaza's refugee-packed population continued in effect today with all persons ordered to remain indoors except between noon and 5 p.m. loaning of performing an abortion, has been found dead in a motion has been found dead in a motion has been found ead in a motion form 35 to 40 feel, and to widen it from 500 to 750 feet.

The curfew imposed on Gaza's refugee-packed population continued in effect today with all persons ordered to remain indoors except between noon and 5 p.m. lid Ben-Gurion called in U.S. Ambridge of performing an abortion tell him that Israel will demand immediate freedom to use the Suez Canal. Egypt has given no indication that she intends to relax the Sivils, originally from Portland. Ore, was arrested by state and local agents in his Redding office and charged with performing an abortion.

Slides But No Floods

Creek in Portland Spills; Nothing Serious

By THE ASSOCIATED PRESS Drenching rains, driven by blustering winds, swept Western Oregon Wednesday night and early Thursday, then moved into the
eastern part of the state.

Portland's Johnson Creek went
out of its banks as it often does
under the impact of prolonged
rain and there were numerous
small slides on rural roads.

Eastern Creams and

Eastern Oregon got warmer weather as the marine air moved

The Weather Bureau said an-other storm was ready to follow on the heels of the one now cross-

ing the state. A rain-softened hillside

A rain-softened hillside unleashed a landslide that blocked the main line of the Union Pacific railread north of Baker.

The slide came down about 7:45 a. m. in front of a freight train, about 10 miles north of North Powder, Agent Lynn Vermillion reported. The train ran into the slide, but damage was minor, he said.

said.

Astoria reported rainfall of 2.36 inches in the 24 hours to 4:30 a.m. Thursday, Newport also was over two inches at 2.04. Portland had 1.13, Salem .89 of an inch and The Dalles, in the Columbia Gorge, had .51.

The flooding in the Portland area caused major inconvenience to many householders .ut was not generally serious.

Elmer Fisher, river forecaster, said there was no important flooding in sight on any of the major streams.

Valley Rivers Patrolman Tiedemann testified that he was present at the time of the raid on Bennett's club, on Sept. 11, 1955. He said he saw Bennett leave the gambling joint after the raid had started and walk across the street. He said Bennett "stopped behind a telephone pole and put something down behind the pole and then left." Walked Across Street A few minutes later Schrunk walked across the street, Tiedemann said, and he continued: "He stopped at the same spot behind the pole, reached down and picked up a package, put it in his pocket and started back toward the corner. I didn't see where he went." Surge Briefly, Then Go Down

The steady downpour of rain sweeping through the valley and foothills have brought a new surge in the rivers, but no major flooding is booked for the present. Any torrential rains, however, would bring streams up more. The Santiam at Jefferson was over flood stage this morning but was to subside some during the day. The reading there was 13.5 feet this morning, 5 of a foot above flood level.

At Salem the Willamette was up to 11.8 by 9 a.m. with prospect it would reach 14.5 by Friday afternoon, Flood stage here is 20 feet.

In response to questions, Tiedemann said he was standing about 50 feet from the telephone pole, and that there was a street light nearby nearby.

Tiedemann said he had been a member of the Portland police force since 1951, and that his highest a uperior now is Mayor Schrunk. He said he testified on subpoena by the committee and had not volunteered any statement.

Good old Oregon rain, the warm, soft variety typical in fiction and fact for this area, came down pretty steadily in Salem through Wednesday. In the 24-hour period to 10:30 a.m. Thursday, 1.24 inches had been measured.

to 10:30 a.m. Thursday, 1.24 inches had been measured.

Precipitation for March to date now totals 2.55 inches here against a normal of 1.02 inches Showers are due through tonight with brief clearing periods, but rain is due to continue through Friday. ment,

The other officer, Amundson, also appearing under subpoena, told a similar story.

Robert F. Kennedy, the committee counsel, asked whether it appeared at the time that money might have been exchanged. Friday.

Daniels, who said he is an un employed bartender, said he had (Continued on Page 5, Column 5) Third Annual

'Y' Book Sale Set for Friday

injah have been exchanged. "It appeared to us what had occurred." Amudson replied obliquely. He did not elaborate. Daniels Had Been Fired News in Brief For Thursday, March 7, 1957. NATIONAL Eisenhower Calls for

Spending Slow-up ... Sec. 1, P. 1 Ships Collide and Burn; 9 Missing ... Sec. 1, P. 1 LOCAL

WU Reveals Members of Choir Tour Sec. 1, P. 5 Baxter Says People Need To Read More Sec. 1, P. 5 Lebanon Starts Paving Sec. 3, P. 6

Projects
State Senate Approves
S-Man Probe Group Sec. 1, P. 1
FOREIGN
Complete

a dime, while a nickel will purchase books with paper backs.
The Y's Menettes will hold a work party Thursday night when the books will be arranged on long tables, according to authorship and similarity in context.
The sponsoring agencies urge the general public to browse around and make their selections early. The display will be thrown open at 9 a.m.

REGULAR FEATURES
Amusements Sec. 1, P. 2
Amusements Sec. 1, P. 2
Cosis Sec. 1, P. 6
Society Sec. 1, P. 6
Society Sec. 3, P. 11
Want Ads Sec. 3, P. 11
Want Ads Sec. 3, P. 11
Crossword Puzzle Sec. 3, P. 11
Crossword Puzzle Sec. 3, P. 3
Food Sec. 10
Sec