

ARBITRATION PROVIDED

Egypt Submits Canal Control Formula to UN

By WILLIAM N. OATIS UNITED NATIONS, N. Y. — Hope was held in some quarters at the U.N. today that Egypt's plan for running the Suez Canal might still be subject to some change. Others felt President Nasser had laid down his final rules for operation of the vital Middle East waterway.

Delegates generally declined on-the-record comment on the plan that provides complete Egyptian control over operations and toll money but calls for arbitration of disputes.

Acting at the request of U.S. Delegate Henry Cabot Lodge, the Security Council scheduled a session for tomorrow on the canal issue. Lodge said the session should "take note of the situation regarding passage through the Suez Canal."

Won't Close Door A U.S. spokesman said Lodge would report on the recent Egyptian-U.S. canal talks in Cairo and that the council debate would not close the door to future private negotiations.

The Egyptian canal plan was submitted to Secretary General Dag Hammarskjöld by Egyptian Delegate Omar Loutfi for registration as an "international instrument." Egyptian officials insisted it would have the force of an international treaty registered with the United Nations, but the declaration provided no penalties for anyone violating it.

The declaration said Egypt would: (1) maintain free and uninterrupted navigation "within the limits and in accordance with the provisions" of the 1888 Constantinople Convention; (2) collect all tolls, paying the Egyptian government 5 per cent in royalties; (3) establish a fund of 25 per cent of all tolls for canal development; (4) limit toll increases to 1 per cent a year unless negotiations with users provided for more.

3-Man Mediation The memorandum also said any dispute over canal operation regulations would be referred to a three-man group, one named by the complaining party, one by Egypt's Suez Canal Authority and the third by mutual agreement or by the head of the World Court if there is no agreement.

Disputes on compensation to former canal company shareholders would be arbitrated "in accordance with established international practice." Disputes over interpretation of the 1888 convention or the Egyptian memorandum would go to the World Court if they could not be settled under the U.N. Charter.

In a letter accompanying the Suez declaration, Egypt claimed it was in line with Egypt's understanding of the six principles adopted Oct. 13 by the Security Council for a canal settlement. Egypt accepted the proposals at that time.

Meets Some Principles Those principles included (1) provision for "free and open transit through the canal without discrimination," (2) respect for Egyptian sovereignty, (3) insulation of the canal operation from the politics of any country, (4) fixing of tolls and charges by agreement between Egypt and the users, (5) allotment of a fair proportion of tolls for development and (6) arbitration of disputes between the Suez Canal Co. and the Egyptian government.

While apparently meeting some of the six principles, there was question here also of the declaration's provision for open transit through the canal without discrimination, which authorizes certain defense measures. Egypt has refused to let Israeli ships use the canal on grounds that a technical state of war still exists between the two countries.

Israel has demanded that it be permitted to use the waterway. Dispatches from Cairo said the Egyptians believed they had made major concessions in the interests of freedom of navigation and guarantees to canal users. The declaration said Egypt looked forward to "continued cooperation with nations of the world in advancing the usefulness of the canal" and would "welcome and encourage cooperation between the Suez Canal Authority and representatives of shipping and trade."

Relations Not Deteriorating "I for one do not think that Japanese-American relations are deteriorating. At the same time, I believe there exist obstacles to be eliminated as well as conditions to be remedied in order to put Japanese-American relations on a more solid and enduring basis."

Previously Kishi had indicated that in Washington he intends to review the U.S.-Japan security treaty, seek a role for Japan in the control of Okinawa and discuss Japan's trade with America and Red China.

Colombo, Ceylon — Prime Minister Solomon Bandaranaike said last night he and Indian Prime Minister Nehru will discuss plans for a mass protest of Asian nations against nuclear weapon tests.

Bandaranaike indicated that organization of such a protest may be worked out when Nehru visits Colombo May 17.

Consumer Prices Pared by Russia MOSCOW — The Soviet government today ordered price cuts ranging from 10 to 32 per cent on a few widely assorted consumer items.

It was the first price reduction in the Soviet Union since last spring. Seven categories of products were affected.

Prices on alarm clocks were cut 30 to 32 per cent. Record players were reduced 30 per cent, vacuum cleaners 20 per cent, women's gold wrist watches, perfume and some brands of cereals 15 per cent, and some canned goods 10 per cent.

Ekberg's Husband In Paris Hospital PARIS — British actor Anthony Steel, husband of Anita Ekberg, is under treatment at the American hospital in suburban Neuilly and a hospital spokesman won't say what's wrong with him.

The spokesman indicated Steel was not in a serious condition but replied "definitely not" when a reporter asked if he could talk with the actor.

Steel was admitted to the hospital yesterday.

A new Jordan government has been formed under elder statesman Ibrahim Hashem, Jordanian Radio Jerusalem announced today. The broadcast said the new cabinet is regarded as pro-Western. (AP Wirephoto)

Things Were Getting Hot



LOS ANGELES — This was part of the action as a screaming, hair-pulling free-for-all broke out yesterday at the home of Molses Vivanco when his estranged wife, Peruvian singer Yma Sumac, arrived to pick up her personal belongings. Yola Rivero, a former dancer working at the Vivanco home as a maid, claws at Fred Otash (right), one of two private detectives who arrived with Miss Sumac. She is encouraged by another dancer working at the house as a maid, Esmila Zevallos (foreground), while Investigator Bill Lowe holds Vivanco at left. (AP Wirephoto)

Oklahoma City Raid Smashes Narcotics Ring

OKLAHOMA CITY — Squads of federal narcotics agents and local police early today rounded up nearly two dozen alleged narcotic peddlers and more arrests were expected.

Officers said a total of 32 persons were being sought as sellers of heroin and marijuana in one of the biggest narcotics roundups in state history.

The raids, on the city's East Side, were conducted by more than 50 officers under supervision of B. T. Mitchell, regional director of the Federal Bureau of Narcotics investigation in Kansas City; Ernie Hall, Oklahoma director; and the local police narcotics squad.

Officials said the roundup was the climax of a year's undercover work by agents who gradually worked themselves into confidence of "pushers."

Federal narcotics agents from Oklahoma, Kansas, Arkansas, Texas and Missouri had been working on the case for six months, authorities said.

In one East Side apartment house, raiders said they found 1 1/2 ounces of high quality heroin valued at \$4,500 on the black market. The peddlers bought their narcotics at about \$400 an ounce, officers estimated.

Federal complaints will be filed against all those arrested, police said, adding that the narcotics traffic here may have repercussions in other cities which were a source of the local supply. The cities were not identified.

Montreal Tug Sinks; 4 Drown MONTREAL — Divers searched Montreal Harbor today for bodies of a woman and three men lost when the tug John Pratt capsized and sank in a towing accident. Four men were rescued.

The sunken vessel blocked the channel entrance to the inner harbor where many large passenger liners dock. Harbor officials reported they could not say when she would be moved.

The tug capsized while working the Swedish freighter Nyland into a slip. Witnesses said the tug was pulled sideways and, caught between the current and the pull, tipped over and went down within two minutes in 40 feet of water.

The woman aboard the tug was the vessel's cook, Jeanne Lamy, 36, of Abitibi County, Que. Other victims were Capt. Zoltique Bibeau, 62, Montreal; Jean-Marc Morin, 21, Sorel, Que.; deckhand; and Laurent Laforest, 49, St. Ignace, Que., fireman.

Miner Dies in 500-Foot Fall WALLACE, Idaho — The cable of a hoist cage slipped off the hoisting drum at the Black Bear silver mine near here Wednesday, and Leonard Sager, 39, a miner, fell from the cage to his death 500 feet down the shaft.

Mine officials said Sager was riding to the surface when the cable slipped. The cage dropped 45 to 50 feet. During the drop, Sager apparently fell from the cage and plummeted to his death.

Labor Unit Starts Retirement Class PHILADELPHIA — A Philadelphia labor group tonight begins a course for its members on how to retire.

The Philadelphia Joint Board of the Amalgamated Clothing Workers is hopeful it can help its members nearing retirement age to meet the problems—and find the pleasures—at the end of their working days.

A series of four lectures will be given at the club set up by the union and area clothing industry managements for retired workers.

Maloney Takes Stand in Trial Of Jim Elkins

Identifies His Voice on Tapes as Witness for Prosecution

PORTLAND — Thomas E. Maloney, under indictment here on a number of state charges, was a prosecution witness yesterday in the federal trial of Portland gambler Big Jim Elkins.

Elkins and his employe Raymond Clark have been accused of illegally tapping, recording and revealing telephone conversations of Maloney, a Seattle and Spokane race track figure. Portland Dist. Atty. William Langley; Thomas O. Sheridan, former assistant administrator of the Oregon Liquor Control Commission; and Joseph McLaughlin, Seattle cardroom operator.

Maloney identified his voice on 17 excerpts of magnetic tape recordings which the government played in the courtroom and entered as evidence.

He identified the other speakers as Langley, Sheridan and possible McLaughlin. Another voice on one of the recordings—which he said was a long-distance call from Spokane—was that of his young son Rickey, Maloney said.

Maloney appeared to be under considerable emotional stress as

Nanette Fabray Marries Writer

NEW YORK — TV comedienne Nanette Fabray and Ronald MacDougall were married here yesterday.

The ceremony took place in the chambers of General Sessions Judge Mitchell D. Schweitzer, who officiated. A few friends and relatives were present. It is the second marriage each for Miss Fabray, 35, and MacDougall, 42, a movie writer and director.

Slate Gets Contract

PORTLAND — Mack Slate Jr., Albany, Ore., Wednesday won a \$85,332 contract from the Army Engineers for clearing 156 acres at Cougar Reservoir on the East Fork of the McKenzie River near Blue River.

This recording was played. He covered his face with his hands and at one point wiped away a tear. There was no explanation of why he was so moved by the playing of this excerpt.

Maloney is under indictment on a number of state charges, including gambling, bootlegging and conspiracy with Langley to open up the town to gambling.

Langley, also indicted on a number of state charges, has been convicted on a state charge of deliberate failure to prosecute gambling. He faces removal from office and a possible fine for this conviction, but he has not yet been sentenced.

Yesterday Langley's attorneys asked for a new trial.

White to Talk To Seed Meet

Mayor Robert White will be one of the speakers at the annual meeting of the Western States Seed Officials Association May 2 and 3 at Oregon State College.

White will discuss the help that control officials can give the seed industry.

Two other Salem people are also slated to be on the program. They are Frank McKennon, Salem, acting director of the state department of agriculture; and Hugh Taylor, Salem, who is assistant chief of the state department of agriculture's plant division and is also western regional member on the executive committee of the National Seed Control officials.

Other Oregon people on the program will be Mrs. Louisa Jensen and Te May Ching of the seed testing laboratory at Corvallis; Gordon Schwalen, Eugene, field representative of the Oregon SDA; and Jesse Harmon and H. A. Schoth, both of the federal department of agriculture staff at Oregon State College.

Lee Burge, Reno, director of Nevada's division of plant industry, is president of the association. The secretary is W. D. Hay, Sacramento, Calif., who is in charge of the federal-state seed laboratory there. The 11 western states will be represented at the sessions.

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