

Weather

FORECAST: Clear to partly cloudy tonight and Saturday. Morning fog. Little change in temperature.

Highest Yesterday 47
Lowest this Morning 37
Prec. to 4:30 a.m. Today, Trace

Fortieth Year

MEDFORD

United Press—Full Leased Wire



TRIBUNE

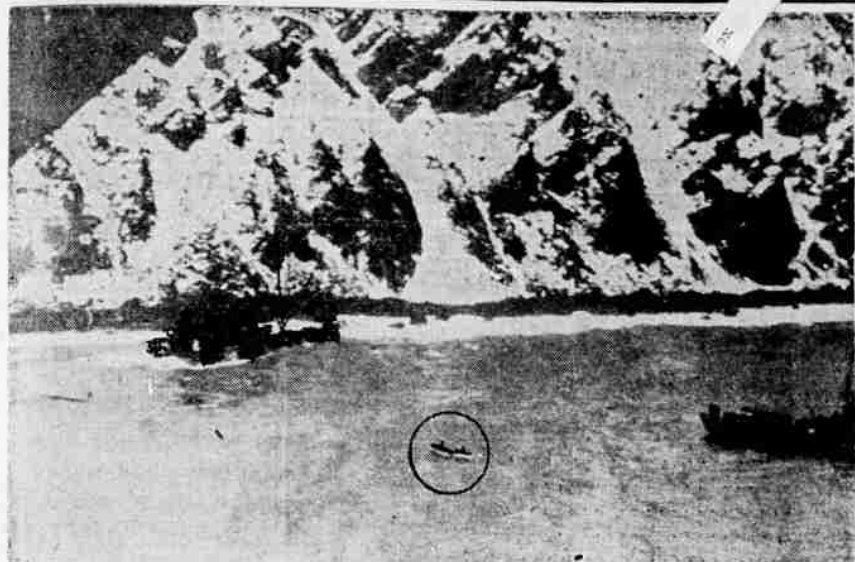
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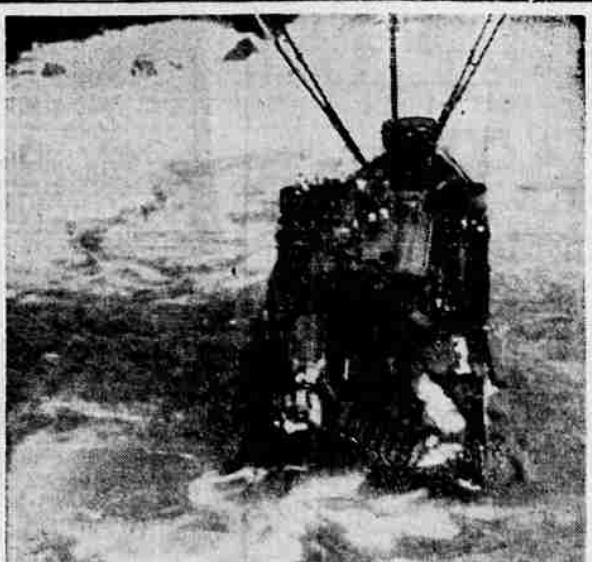
If you do not receive your paper telephone 2141 or 4956 before 7:30 p.m. On Sunday call 2141 or 4956 before 12:30 p.m.

MEDFORD, OREGON, FRIDAY, FEBRUARY 8, 1946.

NO. 272.



Rescue vessel (right) stands by in Johnstone's Bay, near Seward, Alaska, where S.S. Yukon sets broken in half on rocks (left) following furious arctic storm Sunday night. Small craft (in circle) plies between rescue boat and stricken liner, which was bound for Seattle from Seward with 371 passengers and crew of 124.



Stern view of broken S.S. Yukon on rocks near Seward, Alaska, where the 5,746-ton liner broke in two in a vicious gale. Survivors can be seen on the deck of the doomed vessel awaiting rescue.

Snag in Steel Peace Effort Rumored As Truman Drops Florida Vacation Program

WAR DEAD RETURN STARTS IN SPRING IF PLAN APPROVED

\$500 Million and 18 Months Time Required for Project Is Newspaper's Claim.

Sugar Price To Go Up Unless Loss Is Taken On Subsidy

Washington, Feb. 8.—(U.P.)—Secretary of Agriculture Clinton P. Anderson said today that unless Congress gives the government authority to incur a financial loss on its 1946 sugar subsidy program, the price of sugar will rise "substantially."

He said in a letter to Rep. J. Harry McGregor, R., O., that either the price of sugar must rise or the government must take a subsidy loss "to assure prompt availability of this year's sugar production."

Anderson said there was nothing the government can do to increase sugar production in 1946, because the harvest is already underway.

INDUSTRY HEADS NOT RECONCILED IS ONE REPORT

Resignation of Bowles if New Price Policy Adopted Gains Increasing Credence.

Washington, Feb. 8.—(U.P.)—President Truman today abruptly called off his Florida vacation, and it was learned that the steel strike was one big reason for the cancellation.

The president said only yesterday he intended to leave for Florida on Monday as scheduled. Today the White House said the trip had been abandoned because of "the immediate critical situation."

The trip decision was announced shortly after an early morning conference with Price Chief Chester Bowles.

Snag Seen

This caused speculation that a snag had developed in formulation of a strike-settling wage-price policy which Mr. Truman said yesterday he hoped to announce today or tomorrow.

One government source said he still believed the policy would be promulgated tomorrow, but another remarked, "that's not the latest I hear."

Reports were heard that the wage-price formula had been drafted and would be issued, but that steel officials were not reconciled to its price increase provisions.

There has been increasing speculation that he would resign if a new wage-price policy should be adopted which he considered dangerous to stabilization.

By United Press

Two new wage agreements raised hopes today that a post-war strike wave, which has idled 1,400,000 American workers, might soon subside.

A negotiating committee representing 3,500 AFL longshoremen announced that it had reached complete agreement with New York harbor tugboat operators, and the Briggs Manufacturing Co. signed a contract with the CIO United Auto workers.

The most fact-finding panel today recommended a 16-cent an hour wage increase for packing house workers. The AFL Meat Cutters and Butcher Workmen's union said it would recommend that the proposal be accepted. The CIO Packing House Workers' union was to consider the proposal next week.

Decision Deferred On Henie Divorce

Chicago, Feb. 8.—(U.P.)—Judge Edwin A. Robson today deferred until next Wednesday a decision in the suit of blonde skating star Sonja Henie to divorce New York sportsman Dan Topping.

Miss Henie, who charged desertion, drew a throng of fans and curious to the superior court for the hearing. County building attendants ran special express elevators to the 11th floor to accommodate the crowd.

MEXICO-CANADA SIGN

Mexico City, Feb. 8.—(U.P.)—Mexico and Canada signed a commercial treaty today designed to increase the trade between the two nations from a 1939 average of \$3,500,000 to a yearly average of \$40,000,000 to \$60,000,000.

SIDE GLANCES

By TRIBUNE REPORTERS

Mal Plaskett hurriedly departing for other places after discovering the woman at whom he made faces wasn't Leona Bestul but a total stranger.

The JayCee "membership" goose having a terrible time trying to stand up on the slippery floor of the US bank while Jerry Latham formally delivered him into the hands of Bob Schenck.



Map shows where liner Yukon lies wrecked on jagged rocks of Johnstone Bay (see arrow), 40 miles south of Seward, Alaska.

SUNSPOT GARBLES COMMUNICATIONS

Pasadena, Cal., Feb. 8.—(U.P.)—A sunspot 28 times the size of the earth is garbling transoceanic radio and cable communications, Dr. Seth B. Nicholson of the Mt. Wilson observatory said today.

Dr. Nicholson said the sunspot, largest in history, is generating a vast magnetic field and bombarding the earth with an ultra-violet rain which turns the whole earth into an electric field.

Teletype and wire-photo transmissions and other long-distance signals just disappear, Nicholson said.

Television and walkie-talkies, using line-of-sight transmission, are unaffected, he added.

PASTOR HANGS SELF IN BASEMENT ROOM

Riverside, Calif., Feb. 8.—(U.P.)—Dr. Ezra J. Egly, 52, pastor of the Calvary Presbyterian church and former head of the California synod, hanged himself in his Sunday school room because he was despondent over ill health, coroner's officers said today.

Dr. Egly's body was found in the classroom in the church basement last night by the church caretaker. Doctors said he apparently had been dead since noon.

CRESCENT HARBOR ON PROJECT SCHEDULE

Washington, Feb. 8.—(U.P.)—The house today approved and sent to President Truman a measure clearing the way to begin construction of 291 rivers and harbors projects when and if funds are made available for the work.

Projects, with the amount ultimately to be spent include: Crescent City harbor, Calif., \$1,610,000.

Williamette River, Ore., \$3,600,000.

MOTORISTS! SAVE A LIFE—KNOW YOUR TRAFFIC LAWS

Here is a law for today. Somewhere in the state of Oregon, failure to observe this law will cost someone his life, or serious injury:

OPERATION OF VEHICLES ON APPROACH OF AUTHORIZED EMERGENCY VEHICLES

Upon the approach of any authorized emergency vehicle giving audible signal by bell, siren or exhaust whistle, the driver of every other vehicle shall immediately drive the same to a position as near as possible and parallel to right-hand edge or curb of the highway, clear of any intersection of highways and shall stop, and remain in such position unless otherwise directed by a police officer until the authorized emergency vehicle shall have passed, and the motorist of every street car shall immediately stop such car clear of any intersection and keep it in such position until the authorized emergency vehicle shall have passed unless otherwise directed by a police officer. (Section 115-339—Oregon Motor Vehicle Code).

SLEEPER SERVICE POSTPONED UNTIL MARCH 1 BY ODT

Establishment of sleeping car service between southern Oregon points and San Francisco which was scheduled for February 15 has now been postponed until March 1 according to an announcement by J. A. Ormandy, Southern Pacific general passenger agent. "Previous announcement," Ormandy said, "came about through a misunderstanding of the ODT order which releases, effective February 15 sleeping cars for runs where the distance between terminals is more than 350 miles and since the distance from Grants Pass to San Francisco is 446 miles we presumed we were within the requirements of the order."

Less Than 350 Miles

"Since the distance San Francisco to Dunsmuir is less than 350 miles we are prohibited under the order from re-establishing this service until March 1, Ormandy continued. According to the ODT order on March 1 we will be permitted to re-establish service where the distance is greater than 250 miles. The distance from San Francisco to Dunsmuir is 293 miles. We will, therefore, on March 1 be permitted to re-establish this service and will extend the run to Grants Pass. Therefore, on March 1 we will establish sleeping car service between southern Oregon and San Francisco. Through coach and mail express and baggage cars will be established between southern Oregon and San Francisco on the same date.

"At that time, March 1, train No. 8 Dunsmuir to Grants Pass will be changed to connect with train No. 18 which leaves San Francisco at 6:30 p. m. and arrival in Ashland will be at 9:50 a. m. Medford 10:30 a. m. and Grants Pass 11:30 a. m. No change will be made in the schedule of southbound train No. 7. Also, as already announced, we will on March 1st re-establish standard sleeping car service between southern Oregon and Portland on trains No. 329 and No. 330.

"We regret the misinformation which was given to the public in connection with the establishment of sleeping car service between southern Oregon and San Francisco, but I assure our good friends in southern Oregon that it was purely a misunderstanding of the order. Incidentally, copies of the above ODT order are in the hands of our southern Oregon representatives in the event anyone interested should wish to see it."

Rescue Crews Probe Shore For Seven Yukon Missing

Seward, Alaska, Feb. 8.—(U.P.)—Rescue craft probed the jagged shoreline of Johnstone Bay today for seven persons still missing from the wreck of the liner Yukon.

The bodies of two persons, believed to be a passenger and a soldier, were brought ashore.

485 Taken Ashore

The coast guard reported that 485 passengers and crew members had been brought ashore since Tuesday, when rescue craft first reached the reef where the Yukon went aground during an arctic blizzard.

Officials of the Alaska steamship line originally had listed 31 persons as missing, but later announced that 24 passengers had been listed mistakenly through bookkeeping errors.

The Yukon's passenger and crew roster of 485 included 180 returning service men.

The 5,716-ton liner went aground last Sunday night. Most of the dead and missing were swept overboard when the battered ship cracked in two.

SENATE COOL TO STRIKE CONTROL

Washington, Feb. 8.—(U.P.)—The senate gave a cool reception today to the two-fisted Case strike-control bill which won overwhelming approval yesterday in the House.

The bill got hardly a nod from the Senate Labor committee which was about to start writing its own labor measure. It plans something far milder than the House bill, which was approved by a 258-155 vote.

Some senators saw a strong possibility that the senate would reject the Case bill completely. In any event they believed it was in for at least a major overhauling to eliminate some of its teeth.

7-UNIT MOTEL IS HAWLEY'S PLAN

Building of seven stuccoed motel units with locking garages will be started within the next ten days by V. B. Hawley on four lots opposite the Bates Candy company on N. Riverside avenue. Staking of the area for the foundations is being accomplished now, Hawley stated this morning.

The units will measure 14 by 24 feet and will consist of one room and bath. Cost of the present project is \$15,000 according to Hawley who contemplates erection of four additional units. He has seven lots at the site including one, 619 N. Riverside avenue, on which is his residence.

Hawley, a valley resident for the past 35 years, formerly operated the Hawley Transfer and Fuel company, giving up the business at the outset of the war.

EMPLOYMENT BILL TO WHITE HOUSE

Washington, Feb. 8.—(U.P.)—The senate today passed by voice vote and sent to the White House a compromise maximum employment bill.

Sen. Robert A. Taft, R., O., said passage of the measure in its present form was "not a victory for President Truman."

Mr. Truman asked Congress last year for a bill establishing full employment as a federal policy and providing machinery for federal works programs to take up any slack in private employment.

Rochester and St. Paul, Minn., operate municipal hog farms as a means of offsetting at least part of the cost of garbage collecting.

STORES RECEIVING LITTLE BUTTER, IS SHOWN IN SURVEY

Medford housewives who tramp from store to store looking for butter shouldn't get the idea that someone is "holding out" on them. A survey of part of the city's large food stores reveals that while some are receiving 20 per cent of their normal supply, others are getting even less than that. What's more, a considerable share of what housewives do find on the shelves is being brought from Eugene, Portland and San Francisco, where other housewives also find it difficult, or impossible, to get the precious product.

Three stores reported they were getting less than one-fourth of their normal supply and a fourth reported that his market is able to buy about a case a week, 60 pounds, instead of the 15 cases which they formerly could buy. "And we could sell more than 15 cases if we could get it," he added.

PICTURES ALIKE

Dairymen, creamery operators and County Agent R. G. Fowler all agree that the picture here coincides with the national situation. The lack of butter is laid to the fact that while a ceiling of 52 cents a pound for butterfat for churning is set by OPA, there is no ceiling on whole milk and butterfat for what is termed "market milk," which goes into cheese, powdered milk, ice cream and other products requiring milk. Price of "market" milk in the Medford area now is 74 cents. It is obvious that dairymen who can produce market milk will do so, resulting in the diversion of butterfat away from the butter manufacture.

Fowler explained that while a differential has always existed between the two, the price of market milk has gradually increased over the past few years. It is further pointed out that creameries have never found the making of butter highly profitable, and that now it is produced either at a loss or at a very slight profit. One large Medford dairy reports that butter production for January of this year was 33 per cent below that of 1945, and that production has been slowly declining for the past few years.

TO OTHER USES

This dairy formerly separated much milk for butter, but now all whole milk received goes for Grade A bottled markets or ice cream, and butter is made only from butterfat supplied by a few local producers who are unable to supply whole, sweet milk.

It is thought the situation might improve slightly with the coming of spring, when milk production usually increases somewhat. Contrary to the belief of some retail customers, no butter produced here is going into storage, it is reported.

Some predict serious disruption of the dairy industry if steps are not taken to remedy the situation. In Portland earlier this week some 600 Oregon and Washington members of the Dairy Co-operative association petitioned OPA for an increase in price for Grade A milk from 95 cents to \$1.20 a pound of butterfat, declaring that unless it was granted, the entire supply would be diverted to "market milk" sources since the cost of producing milk which will qualify for "Grade A" is much above the other.

HUMAN FLESH IS SOLD IN BERLIN

Berlin, Feb. 8.—(U.P.)—Official announcement that two German women had been murdered and their flesh sold on a black market aroused fear today that organized gangs of human butchers were at work in the famine-ridden city.

Spokesmen for the criminal investigation department of the German civilian police revealed that a search was underway for the killers.

They said only two cases of murder-for-flesh had been established thus far but that it was possible the butchers were operating on a much larger scale, killing their victims and peddling the flesh in local black markets.

The identities of the two known victims were withheld pending further investigation, police said.

Big Bomb Fuse Rattles London

London, Feb. 8.—(U.P.)—A heavy explosion at the site of the Donald Duck bomb excavation in St. James park today rattled the windows of Buckingham Palace, the House of Commons and the meeting place of the United Nations.

The explosion was caused by the buried bomb's fuse and the TNT used to destroy it. The bomb itself, was neutralized last night when jets of steam melted out its internal organs.

LUMBER FIRMS FINED FOR BREAKING CEILING

San Francisco, Feb. 8.—(U.P.)—Five Northern California firms have been fined \$7,065 for over-ceiling lumber sales, the district office of price administration announced today.

NEW EUGENE RADIO

Portland, Feb. 8.—(U.P.)—Construction of a radio station at Eugene by the Valley Broadcasting company will begin "right away," C. S. Fisher announced here Thursday. Fisher, owner of Tower Sales & Erecting company, Portland, said he and B. N. Phillips, Port Angeles, Wash., banker, owned the broadcasting company in partnership.

BERLE RESIGNS

Rio De Janeiro, Feb. 8.—(U.P.)—The resignation of Adolf A. Berle, Jr., as United States ambassador to Brazil was announced officially today.

Japs Used As Slave Labor in Camp At Tule Lake, Liberty Union Claims

San Francisco, Feb. 8.—(U.P.)—The American Civil Liberties union announced today that it would file a protest with Secretary of Interior Harold Ickes against "slave labor" in the Tule Lake Japanese segregation center.

Ernest Besig, attorney for the civil liberties group, charged that white employees of the camp were hiring Japanese nursemaids, cooks, cleaning help and other workers at \$30 a month, of which \$19 went to the federal government and \$11 to a recreation club to benefit white members.

"WRA employees are exploiting the Japanese under their charge as virtual slave labor," Besig said.

R. B. Cozzens, assistant director for the WRA in northern California, scoffed at the "slave labor" charge. He said professional Japanese employees were paid a \$19 wage set by Congress for work including doctors, teachers, lawyers, nurses, skilled workers receive \$16, Cozzens said, and unskilled employees, \$12.

FORD GAMBLING ON PRICE HELP

San Francisco, Feb. 8.—(U.P.)—The Ford Motor company is gambling its entire war earnings on an early solution of price ceiling problems, while taking losses on present production, Henry Ford II announced today.

Speaking before the Commonwealth club, Ford said his plants would "do the utmost to produce" because only high production can save the nation from whirlwind inflation.

The youthful executive, who replaced his grandfather as head of the family's vast factories, said his company's only alternatives to full production were closing down or fighting the Office of Price Administration.

Rabble Rousers Arrested After Riotous Meeting

Chicago, Feb. 8.—(U.P.)—Gerald L. K. Smith surrendered to police today on a warrant charging him with disorderly conduct in connection with a riot staged outside a rally he addressed last night.

Arrested with Smith were Arthur W. Terminiello, Birmingham, Ala., and Frederick Kister, national director of the Christian veterans of America. They were charged with disorderly conduct and inciting a riot.

Smith was released on \$100 bond, and the others on \$700 bonds.

On arrival at the police station, Smith took off his coat and hat and handed them to a policeman.

"God save America," he said. "God save the police department when they can arrest people for a bunch of Russians!"

Pork Set-Aside Order Reinstated

Washington, Feb. 8.—(U.P.)—The agriculture department today reinstated an order requiring federally inspected packing plants to reserve a part of their pork output for government purchase.

At the same time the department boosted its set-aside on lard.

Both actions, the department said, are designed to "help assure procurement of food for meeting critical needs abroad."

The requisition orders become effective Feb. 10.