

Election Spending of Labor Unions Challenged In Justice Department Suit Against Auto Workers

By LYLE WILSON
United Press Correspondent
Washington — (U.P.) — The Justice Department has challenged labor union election spending in a dispute which in its simplest terms amounts to a difference between large concentrations of wealth because of the source and management of the accumulation?

The question arises through the indictment of the CIO United Auto Workers in Michigan on charges of spending union funds to influence the 1954 senatorial contest in which Sen. Patrick McNamara, Democrat, unseated Sen. Homer Ferguson, Republican. The sum was only \$5,985. But the principle is big and, unquestionably, headed for the Supreme Court.

This indictment was brought under the 1925 Corrupt Practices Act as amended by the 1947 Taft-Hartley Act. The 1925 act was a consolidation, extension and replacement of all previous legislation going back to 1907 when national banks and all corporations were forbidden to make political contributions. The 1925 act specifically exempted primary elections and national conventions, they being acknowledged as outside the scope of federal law.

Unions Added to List
The Taft-Hartley Act amended the Corrupt Practices Act by adding labor unions to the list

of organizations forbidden to make political contributions in elections involving federal office. The considerable accumulations of union funds under the impetus of the Wagner Labor Relations Act had long before begun to flow freely into election campaigns.

John L. Lewis loaned and contributed \$470,000 to FDR's 1936 re-election campaign and freely admitted that he expected some return on it. There had been other prohibitory legislation prior to the Taft-Hartley Act, but like all such it failed more often than it succeeded in prohibiting.

The Smith-Connally Act of 1943 forbade union contributions to influence elections. But the CIO Political Action Committee was able in 1944 to accept \$648,-

000 from various union treasuries before the year's primary candidates were chosen.

There has been considerable evasion of the law by all concerned. The 1946 volume of "Editorial Research Reports" states:

"The law does not prevent corporation executives from making 'personal' contributions any more than it prevents the rank and file of unionists from making up large campaign funds from 'voluntary' contributions."

The CIO argued in 1946 that the Smith-Connally Act did not precisely forbid direct expenditures by labor organizations to publicize their political views. If that argument were accepted, corporations and national banks, presumably, could make direct expenditures on elections, so

long as no money went into any party treasury.

Limits Political Contributions

By the Hatch Act, Congress attempted to put a \$5,000 limit on political contributions by individuals or groups of individuals. The language was so loose that in the 1944 campaign, Editorial Research Reports said, "six leading Republican supporters made total contributions of \$150,000, an average of \$25,000 apiece, by the simple device of 70 separate gifts, averaging slightly over \$2,000."

There was a report in 1948 that one corporation favoring President Truman's reelection parcelled out sums of money to numerous individuals to be given as personal contributions of \$5,000 each. Both parties find means of getting by the Corrupt

Practices Act and the cost of national elections continues to soar into the multi-millions.

The Michigan CIO, however, did not seek to hide its 1954 activity. The \$5,985 was spent openly for nine television programs boosting McNamara's candidacy. Atty. Gen. Herbert Brownell Jr. said it appeared that the CIO considered the law unconstitutional and thereby not enforceable. It obviously must go to the Supreme Court.

If the union can so spend without channeling money directly into a political organization, then corporations and national banks presumably would have the same right, unless the court decided there was a difference between union money on the one hand and financial and corporation money on the other.

Friday, July 22, 1955

MEDFORD (OREGON) MAIL TRIBUNE—SEVEN

Josephine County Fair Slated Aug. 17 to 20

Grants Pass—The 34th annual Josephine County fair will be held in Grants Pass Wednesday, Aug. 17, through Saturday, Aug. 20.

Featured at the fair will be the Oregon State Gladiolus show, the Wednesday evening coronation of the Queen Gladys, square dancing, 4H and FFA section exhibits, horse racing, merchant exhibit building, a new photographic division, and other entertainment.

Included in the activities will be the timber carnival, Davis Shows, and a Farm Bureau barbecue. Professional entertainers will be featured in the afternoons and evenings. The covered arena has been more than doubled in size within the last month because of the number of Fair entries, it was reported.

Campaigning Eisenhower Given Ike's Endorsement

Hastings, Neb. — (U.P.) — Paul (Ike) Eisenhower was a candidate for a student office recently at Hastings college, so his campaign manager, Miss Susan Smith, wired President Eisenhower, requesting White House endorsement of her candidate. In replying, the President wrote in part:

"... it's evident that Paul

Eisenhower recognizes one of the requisites for a successful campaign is to obtain the services of a competent and resourceful manager."

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Kiwanis Club Hears Convention Report From E. Ron Rice

E. Ronald Rice reported to Medford Kiwanians Wednesday concerning the recent convention of Kiwanis International at Cleveland, O.

Rice, past president of the club here, was one of 4,013 delegates. They represented 2,462 clubs. Total registration for the convention was more than 13,000.

J. A. Raney, Indianapolis, Ind., who has been vice-president, will become international president, Rice reported. Reed C. Culp, Salt Lake City, Utah, was elected international treasurer.

Speakers Heard
Principal speakers at the convention were Ezra Taft Benson, secretary of agriculture, and A. D. P. Heeney, Canadian ambassador to the United States.

Kiwanis exceeded its goal of new 4,000 clubs this year with 4,069 being organized, Rice reported. There are 241,000 Kiwanis members.

Don Engdahl, Spokane, Wash., presided at the convention as international president.

Rice gave his report at the noon luncheon of the Medford club at Rogue Valley Country club.

Want to See the H-Bomb Explode? Go To Library

Minneapolis — (U.P.) — It's now possible to sit in a Minneapolis living room and watch a hydrogen bomb explosion.

The public library's visual aids service now has available an edited portion of the film of the first hydrogen bomb explosion test in the South Pacific in 1952.

The film, "Operation Ivy," may be taken out free by any library card-holder 21 years or over. Younger persons must have written consent of their parents.

Court Records

POLICE COURT
Bob Eugene McCarthy, excessive noise (three), \$10.
James Allan Perry, violation of basic rule, \$10.

DISTRICT COURT
Melvin W. Harvey, overwidth, \$5 suspended, \$10 fine.

CIRCUIT COURT
Clara Mae Mills vs. Harvey I. Mills, divorce complaint.
Stella L. Teel vs. Richard L. Teel, divorce decree.
Carol Marie Dyer vs. Lloyd Edmund Dyer, divorce complaint.
Henry W. Smith vs. Rose M. Smith, divorce complaint.
Genon Shirley Gattman vs. Louis Conrad Gattman, divorce complaint.

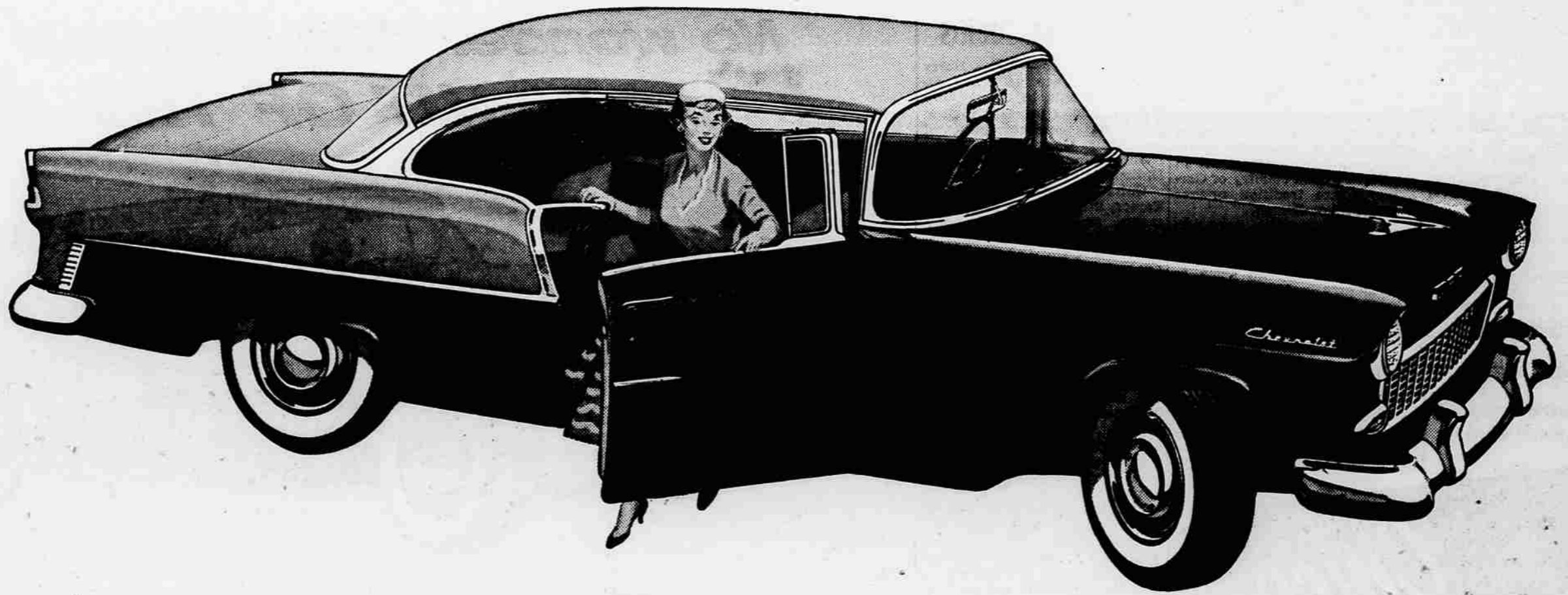
APPLICATIONS FOR MARRIAGE LICENSES
Robert Swindler Jr., 23, of 528 South Ivy st., and Sonja Kristine Jorgensen, 20, of 1985 Kings Highway.
Charles C. Swan, 23, Grants Pass, and Lola Elva Campbell, 17, Grants Pass.

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