

PAC REACHED WITH U. S. STEEL

In The Day's News

By FRANK JENKINS
UNDER the terms of President Truman's WAGE-PRICE formula, Big Steel's strike is settled on the basis of 18 1/2 cents an hour UP for the workers and \$5 a ton UP for the company.

RESPONDING to these (and other expected) developments, the New York stock exchange cracks with excitement. Securities are offered in blocks of 1000 to 7000 shares and are SNAPPED UP. So heavy is the trading that the ticker falls two minutes behind at times. Price gains run to two or more points, with strike-troubled stocks leading the procession. It was one of the biggest Saturdays in the past seven years.

MEANWHILE—Senator Bankhead of Alabama, one of the senate FARM leaders, says: "The administration's revised economic policy will increase tremendously the price of everything the farmer buys."

BANKHEAD is a Democrat. Senator Cordon of Oregon, a Republican, says along the same line this morning: "When any important price relationship is disturbed, a consequential effect is started that PYRAMIDS as it goes. When the price of steel is increased, the end price (meaning the price the consumer pays) goes up a great deal more."

WHAT both Bankhead and Cordon mean is that the powerful farm bloc in congress will now go into action to get ITS SHARE of the higher prices that will result from the new wage-price formula.

INFLATION? OF COURSE it's inflation. Nobody but a moron could contend otherwise.

FORTUNATELY, we in America have the greatest production plant in the history of the world—a plant practically unimpairable by the ravages of war.

POWER TO PRODUCE to functioning again by breaking the deadlock that had developed in the flow of goods reaches large proportions, we can HANDLE the inflation that already stares us in the face.

Nothing is easier, in periods when the inflationary spiral is working, than to GET MORE MONEY. If you have power enough, more money can always be hi-jacked out of somebody.

THIS writer has a personal hunch that if President Truman had it all to do over (knowing what he knows now) he WOULDN'T disturb a wage-price line that had already been more or less stabilized.

PHILADELPHIA, Feb. 16 (AP)—Shouting "stick 'em up" in imitation of a movie bandit, 10-year-old Paul Crocetti accidentally shot his father to death as he romped with other children on the living room floor, Detective Thomas Lennon reported.

Nicholas Crocetti, 46, contracting carpenter and father of 14, died yesterday of a shotgun wound in the neck. He had just returned from a hunting trip and placed the shotgun against a wall to play "piggy back" with another son.

Leak Gives Russians A-Bomb Tip

Canadian Government Holds 22 Persons; Probe Promised

By HARRY T. MONTGOMERY
OTTAWA, Feb. 16 (AP)—Canada, which shares atomic bomb secrets with the United States and Great Britain, moved today to prevent recurrence of a leak of "secret and confidential information." This information, an authoritative source said, went to the Russians.

A complete blackout was clamped down today following the government's disclosure of the leak. There was no official comment on the nature of the information divulged, but this was said by reliable sources to involve many phases and presumably to include atomic data. There was no indication, however, that the secret of the atomic bomb itself was involved.

Russian Ambassador George N. Zarouzin was in Moscow. In his absence the embassy's second secretary, Vitali G. Pavlov, said there was no comment.

The disclosure of the move came last night after the Royal Canadian mounted police, striking suddenly, had rounded up 22 employees and former employees of Canadian government departments and agencies.

Prime Minister W. L. Mackenzie King announced the appointment of two royal commissioners to head a thorough investigation and promised the government would institute prosecution "in cases in which the evidence warrants it."

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Chic Firm On Pauley

Quake Damages Building



A gaping hole in the wall of the Frye Packing company building was evidence of Seattle's heavy earthquake. Bricks from an 80-foot section toppled on machine shop. —AP wirephoto.

Soviets Claim Peace Periled

LONDON, Feb. 16 (AP)—Soviet Russia told the United Nations today 326,000 Polish troops under British command remained in Italy and that they constituted "a possible threat to peace, calm and order on the Yugoslav-Italian frontier."

The memorandum did not request action by the security council, but it came a day after Britain had received from Poland a demand that Polish troops in Italy and Britain be returned to their homeland. The British foreign office had estimated at 107,000 the number of Poles in Italy.

The United States, meanwhile asked the council to settle the dispute over the Levant with a declaration expressing confidence that it would be negotiated promptly and that French and British troops would be withdrawn "as soon as practicable." Syria and Lebanon have charged that the troops endanger peace, and therefore are a subject for council action.

John K. Burke, driver of one of the cars, was killed. An oil truck and trailer upset across the highway, causing one-way traffic through the area for four hours.

Four occupants of a car which crashed into the truck's wreckage were taken to a hospital. They were James Griesenauer, 18, Portland; Helen McIlwain, 16, Silverton; Doris McIlwain, 18, Silverton; George Hicks, 19, Kansas City, Mo.

Persons interested in the discussion of sale of city property on Commercial to be used as a colored folks' rooming house, were advised today by Mayor Ed Ostendorf that no decision will be reached on this problem at the Monday, February 18, meeting.

The mayor said today that the zoning and property committees, named to iron out the situation, were not prepared to give a decision at the time previously set. Routine city matters will come up Monday night.

Bank of Japan, which skyrocketed to more than 60,000,000,000 yen (\$4,000,000,000) will be compressed to about 27,000,000,000 yen by the currency conversion order.

Dr. Hichiro Kimura, private financial expert, told Kyodo he believed black marketeers and brokers would be dealt a severe blow and the living for working people would improve. He added "there will be no serious effect on the working class."

Candidacy Filed By Henry Semon

SALEM, Feb. 16 (AP)—Henry Semon, democrat of Klamath Falls, filed his candidacy for Klamath county representative in the state legislature with the secretary of state's office here Saturday.

Other filings included Circuit Judge John R. Mears of Portland for reelection to Multnomah county circuit court, department No. 5; and Robert L. Welch, Lakeview republican, for district attorney of Lake county.

Vet Killed In 4-Car Pile-Up

OREGON CITY, Feb. 16 (AP)—A pile-up of four cars and an oil truck on the Pudding river bridge at Aurora killed a navy veteran, injured four persons, and tied up Pacific highway traffic today.

John K. Burke, driver of one of the cars, was killed. An oil truck and trailer upset across the highway, causing one-way traffic through the area for four hours.

Four occupants of a car which crashed into the truck's wreckage were taken to a hospital. They were James Griesenauer, 18, Portland; Helen McIlwain, 16, Silverton; Doris McIlwain, 18, Silverton; George Hicks, 19, Kansas City, Mo.

Students Decry British Policy

CAIRO, Feb. 16 (AP)—A thousand university students shouting anti-British slogans paraded through downtown Cairo without police interference today as small Sikky Pasha attempted to form a new Egyptian government.

The demonstrators cried "Down With Nokrashi" as they passed the Saadist party headquarters. There Mahmoud Fahmy Nokrashi Pasha, who resigned as premier yesterday, was conferring on whether he should accept a role in the government of Sikky, an independent asked by King Faruq to succeed Nokrashi.

Boy Injured On S. Sixth

Larry Lee Horstman, 5-year-old son of Mr. and Mrs. George Horstman, 2138 Applegate, was critically injured at 1:30 today when he walked into the path of a car operated by Gerald E. Lewis, 4850 Shasta way at the S. 6th and Martin intersection.

The child, with his father and aunt, Mrs. Roy Huggins, 2138 Radcliffe, had been shopping in Parks grocery on S. 6th. The family car was parked across the street and Larry Lee was a few steps ahead of his father who was carrying a 'box of groceries.

City police, investigating the accident, said Larry Lee was struck by the middle section of Lewis' front bumper and hurled 25 feet into the opposite lane of traffic. Cars stopped immediately and fortunately the boy was not hit by another machine.

Lewis, according to police, immediately applied his brakes and rushed the boy to Hillside hospital. Officers said Lewis made every effort to stop and give aid. No charge had been filed against him early today.

The accident occurred at approximately the same point where Mrs. Mary Frain was fatally injured three weeks ago at S. 6th and Martin. She was picked up some 250 feet from where Larry Lee was struck.

Power Walkout Appears Certain

TACOMA, Feb. 16 (AP)—Tacoma's electric power tieup appeared definitely scheduled to start at 12:01 a. m. Monday when the Electric Worker's union informed the city council at noon today it considered the city's demand for a 30-day notice of intention to quit, under the war labor disputes act, "invalid."

Mayor Harry Cain countered by asking whether the union would submit to arbitration by a group of seven, three from labor, three from business, these six to select the seventh. The union promised an answer by 5 p. m. today.

Police Round Up Mental Patients

KINGSTON, Jamaica, Feb. 16 (AP)—Order was restored today following the roundup of most of more than 100 mental patients who escaped yesterday during a strike of employees of the city's mental hospital and roamed the streets looting stores and homes.

Police announced that all but about 15 of the inmates were accounted for by last night, and that the situation was brought under control.

Knock-Down Drag-Out Job Ahead

WASHINGTON, Feb. 16 (AP)—President Truman set the stage today for the senate's toughest political battle since the 1937 supreme court fight by sticking uncompromisingly to his nomination of Edwin W. Pauley for undersecretary of navy.

Reluctant senate democrats saw a knock-down, drag-out job ahead, but Mr. Truman left them scant choice about taking sides after his emphatic declaration he expected Pauley to be confirmed.

In reaffirming his complete confidence in Pauley, Mr. Truman turned aside inquiries yesterday about his political plans for 1948, remarking that the question was a little previous. It was reminiscent of the way President Roosevelt used to parry questions about his third and fourth term intentions.

New Evidence
Intimating that new evidence may challenge Ickes' charges against Pauley, Mr. Truman predicted flatly that the California oil man will be confirmed.

He added, moreover, that Navy Secretary Forrestal recommended the appointment, and that Mr. Roosevelt had intended to make it.

Forrestal quickly issued a statement saying that when Mr. Roosevelt asked him to consider Pauley for the appointment, he replied he would prefer H. Struve Hensel, assistant secretary. Forrestal added he told Mr. Truman, after Mr. Roosevelt died, that he would "be agreeable" to the Pauley appointment.

Senator Walsh (D-Mass.) said memoranda left with the senate naval committee by Ickes in support of his charges against Pauley had been examined and photographed by representatives of the nominee.

Walsh said that Senator Tydings (D-Md.) had requested permission for the examination of the papers.

Four Klamath Falls school boys, ranging from 14 to 17 years of age, have admitted to juvenile officials that they pilfered a number of small articles from three local stores while playing hooky from classes yesterday.

The boys said they had visited Weas, Sears and Roebuck's, and had taken a camp stool, a soldering iron and other small articles. They were arrested by city police in an alley off Main street following a call from a merchant who saw them packing new, unwrapped articles in a box, and under questioning at the juvenile office admitted the pilfering.

One of the boys is now held in detention for violating a parole and the other three were released to their parents to await court action.

Two Other Firms Sign With Union

Aluminum Settles For 19-Cent An Hour Wage Boost



Chairman Paul A. Porter, of the federal communications commission, has been appointed OPA administrator to succeed Chester A. Bowles, who has been shifted to a new post. —AP wirephoto.

Blaze Fatal To 4 Persons

ROSEBURG, Ore., Feb. 16 (AP)—Use of fuel oils to kindle fires cost the lives of four Sutherland residents and destroyed two homes in that area Friday night, leaving two persons burned in Sacred Heart hospital, Eugene, where their condition was reported as "fair."

The dead are Harold Fugate, 35; June Davis Brown, 23; Fugate's daughter, Caroline, 4, all of whom succumbed in the Eugene hospital, and his son, Nathaniel Arnold Fugate, 14 months, whose body was found in the embers of the Sutherland home.

Injured were Mrs. Evelyn Fugate and their son, David, 5. State police were told by occupants of the Sutherland public housing unit, located opposite the Fugate home, that they were attracted by screams and saw occupants emerging, their clothing afire. Those who gave assistance said they were told oil had been poured on coals in the cook stove. An explosion resulted, drenching all occupants of the small, one-story dwelling.

Ambulances from Oakland and Roseburg took the injured persons to the Eugene hospital. Glenn Fugate, 10, was the only occupant of the home to escape unhurt.

The fire at the Fugate home occurred shortly after 8 p. m. and was followed four hours later by a fire of similar origin at the Jack Du Bois home, a mile south of Sutherland. No one was injured in the latter fire, but the dwelling and all contents were completely destroyed.

Administration leaders were jubilant over the termination of the dispute, for they looked for a salutary reaction in the strike-bound automobile and electric manufacturing industries.

"Big Steel," as U. S. Steel is known, has long been considered the bell-wether of American business and other enterprises were expected to follow, as in the past, the broad general pattern it set.

The end of the 25-day-old U. S. steel strike was announced last night on behalf of President Truman by Reconversion Director John W. Snyder. The settlement was on the basis of an 18 1/2 cents average hourly wage increase previously recommended by the president, with the corporation getting a compensatory \$5-a-ton increase in steel prices.

Way Opened
The settlement applied only to approximately 150,000 U. S. Steel employees, but it opened the way for the return to work of some 620,000 striking CIO steelmen employed by other companies.

CIO President Philip Murray announced that collective bargaining will begin with the rest of the industries today, and another unquotable CIO official predicted that agreements would be reached with all the key steel companies by the middle of next week. It was made plain, however, that strikes would continue at all these companies until agreements have been signed.

U. S. Steel meanwhile was reported already heating its furnaces back up, and some CIO men said the corporation would be ready to resume making steel by Tuesday, although full production probably will not be reached for two weeks.

Officially the U. S. steel strike will end at 12:01 a. m. Monday, February 18—the same hour to the minute that it began on January 21.

Body Of Prominent Lawyer Found Near Luxurious Home

LOS ANGELES, Feb. 16 (AP)—The nude body of William H. Bonsall, 40, prominent attorney and politician, was found in a pool of blood in the driveway of his luxurious home last night after a neighbor heard sounds of a terrific fight and shouts for police.

Inside the house, police found evidences of a bloody struggle that led from the expensively furnished living room where a fire still burned on the hearth and a radio played, to the dining room, kitchen and den, where furniture was smashed and blood-smeared.

Arriving In United States

Daniel V. Morrison, T/4, Lakeview, arrived on La Grande Victory due in Seattle February 16.

Vern V. Maharry, S/Sgt., Tulaleke, arrived on La Grande Victory due in Seattle February 16.

Claude H. Johnson, Sgt., Dunsuir, Calif., arrived on USSR Victory due in New York February 15.

O. Anderson, T/4, Klamath Falls arrived on Sea Tiger due in New York, February 14.

INCREASE DENIED
PORTLAND, Feb. 16 (AP)—The state CIO council turned thumbs down today on a bottled milk price increase asked by dairymen.

The AFL recently took the same stand. The district OPA is now considering studying the proposed boost.

Police Beat Back Pickets
LANCASTER, Pa., Feb. 16 (AP)—Transit strikers reinforced on picket lines by other unions were beaten back by club-swinging police today as Conestoga Transportation company renewed partial service with volunteer workers.

Five strikers were arrested in a free-for-all at carbarn gates as two score police cleared streets for a block to let buses through.

Three or four of the more than 150 pickets were seen to fall to the pavement in a wild exchange of blows but none was admitted to hospitals immediately.

It was the 11th day of the transit strike called by local 1241, Amalgamated Association of Street, Electric Railway and Motor Coach Employees AFL on 25 contract demands, including a 20-cent-an-hour pay boost.

Police Round Up
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WEATHER
February 16, 1946
Max. (Feb. 15) 41 Min. 22
Precipitation last 24 hours .22
Stream year to date .955
Normal 7.69 Last year 6.75
Forecast: Showers Sunday.

Man Jailed On Contempt Charge
PORTLAND, Feb. 16 (AP)—A 30-day sentence for contempt of court was meted Robert D. Lampkin, 33, Champoog, by Circuit Judge Frank J. Loneragan today in a case arising out of a jury tampering charge.

Defense attorneys for Lawrence R. Oglevie, charged with murder in the slaying of Deputy Sheriff Al Bove, told the court that Lampkin attempted to influence selection of jurors.

A mistrial was ordered in the Oglevie case and it was set over to the March term.

Verdict Delayed On Negro Issue
Persons interested in the discussion of sale of city property on Commercial to be used as a colored folks' rooming house, were advised today by Mayor Ed Ostendorf that no decision will be reached on this problem at the Monday, February 18, meeting.

The mayor said today that the zoning and property committees, named to iron out the situation, were not prepared to give a decision at the time previously set. Routine city matters will come up Monday night.

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Dr. Hichiro Kimura, private financial expert, told Kyodo he believed black marketeers and brokers would be dealt a severe blow and the living for working people would improve. He added "there will be no serious effect on the working class."

The new government regulations abruptly will limit legal income amid rampant inflation. This undoubtedly will cause discomfort until prices decline in adjustment.

Individual Japanese will have limited salaries and restricted bank withdrawals as their only currency, consequently will be unable to meet high prices.