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Final

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ASSEMBLY ENACTS TEACHER BOUNS

MAY AND GARSSON BROTHERS INDICTED

Conspiracy To Defraud Government Is Charged

Joseph Freeman Also Named

WASHINGTON — (AP) — Attorney General Clark announced today the indictment of former Rep. Andrew J. May, Democrat, Kentucky, and three officials of a wartime munitions combine on charges of conspiring to defraud the Government.

Clark said those named with May in the indictment, returned by a Grand Jury here, are:

Henry M. Garsson, Murray Garsson and Joseph P. Freeman, all former officers and employees of the Erie Basin Metal Products, Inc., Elgin, Ill., and of Batavia Metal Products Inc., Batavia, Ill.

He said one count charges that May, wartime chairman of the House Military Committee, "did agree to receive" from these firms "a total of $53,634.07."

DEFEATED IN ELECTION

May was defeated in last Fall's election after a campaign in which his relations with the Garsson brothers had figured. Now 71, he had served in Congress since 1930.

The indictment was returned to Chief Justice Bolitha Laws of the Federal District Court.

Clark said that a conviction under the conspiracy statute provides for a maximum of $10,000 fine and for imprisonment of not more than two years.

The Senate War Investigating Committee inquired at length last Summer into relations between the Garssons and May.

STORY DEVELOPED

The story it developed was this: The Garssons organized nineteen firms into a combine which received more than $78,000,000 in war contracts. Joseph Freeman was Washington representative for the group.

May actively pressed War Department officials to give contracts to the Garsson firms.

The Congress member never testified publicly at the Senate Committee's hearings but acknowledged in public statements that he interceded with the War Department in behalf of the Garsson firms. He said he never received any payment and was motivated solely by a desire to aid the war effort.

The Grand Jury began an investigation last October. Records of the Senate Committee were turned over to it.

Clark's announcement said the indictment "follows lengthy presentation of evidence developed by an intensive investigation by the Federal Bureau of Investigation."

The Grand Jury, Clark said, "has been temporarily recessed and is to be recalled to consider further evidence being developed by the FBI."

FOUR COUNTS

The Attorney General said the indictment is in four counts:

One, conspiracy to commit offenses against the United States and to defraud the United States.

Two, violations of the United States code which makes it an offense for a member of Congress to receive or agree to receive any compensation for services rendered or to be rendered to any person in relation to any proceeding to which the

See FEDERAL JURY on page 10-A

COOL AND CRISP

Mornings as brisk as this, you know that the family will want husky, hearty meals three times a day. For meals like that the best place for your grocery buying is to begin with the pages of Thursday's Charlotte News. These food pages give the best values in town.

The Charlotte News

Search Redoubled

Girl Exonerates Former Convict In Kidnap Case

LODI, Calif. — (AP) — Alice Dean Devine today met and exonerated Earl Shelton, a San Francisco ex-convict and studio operator, in her kidnaping, and the search was redoubled for a smooth-talking, middle-aged man who held her a day and demanded $10,000 ransom.

"This is not the man," declared the popular 17-year-old Lodi High School student upon confronting Shelton.

Her mother, Mrs. John Edward Devine, who said she had seen the man who sent for Alice Dean to have her picture taken Monday night when the girl disappeared, joined in exonerating Shelton.

The girl returned home Tuesday night unharmed except for minor bruises and told police she had freed herself from rope bonds and escaped from an auto court in the absence of her captor.

COMES VOLUNTARILY

Shelton, 40-year-old operator of a photographic and modeling studio in San Francisco, came to Lodi voluntarily with Lodi Police Sgt. Pat Coon last night to be cleared by the girl. She earlier had said his picture "looked like" her kidnaper.

He met Alice Dean and other members of the wealthy Devine family secretly at 2 A. M. (PST) on a rural road west of here

See GIRL on page 10-A

ALICE DEAN DEVINE

Justice Dept. Moves

Portal Pay Case Dismissal Urged

WASHINGTON — (AP) — The Justice Department said today that the famous portal pay suit of the Mt. Clemens (Michigan) Pottery Co.'s employees should be dismissed unless new evidence gives more substance to their claims.

It was the Supreme Court's decision in this case which touched off the current series of portal pay suits, now aggregating more than $4,000,000,000.

BRIEF FILED

The Justice Department took its stand in a brief filed with Federal Judge Frank A. Picard the trial judge whose original finding in favor of the pottery employees was sustained by the Supreme Court. The brief was filed with Judge Picard in New York, where he is trying case but copies were made available to reporters here. Picard made the portal pay ruling in Detroit, where he normally sits.

The principle he set forth—and which the Supreme Court upheld—is that workers are entitled under the wage-hour (40-hour week) law to pay for time "controlled" by employers. That means time spent on the company's property in preparing for actual productive work as well as the time spent in productive work itself.

While upholding the principle, the Supreme Court directed that Judge Picard still must decide the amount of claims to be allowed workers.

The Justice Department's position, in effect, is that as the record now stands the amount of time the Mt. Clemens employees spent in preparing for work is so trifling that it is unworthy of consideration.

By that argument, the amount of claims the workers would be entitled to is zero.

However, the Justice Department said Picard should take further evidence to determine whether more time is involved than has been brought out in the legal proceedings thus far.

As things now stand, the brief declares:

"It is submitted that if the findings of this court, based upon the evidence, do not disclose periods of preliminary activity of longer duration than those appearing in the present record, the de minimis rule would be applicable and therefore, the action should be dismissed."

The de minimis rule means literally, "the law does not concern itself with trifles."

Greece Adds War Claims

LONDON—(AP)—Greece sought today to exact "the highest possible level" of reparations payments from Germany for the ruin wrought by the Nazis in the war.

A Greek note was presented to the deputies of the four-power Foreign Ministers Council drafting the German and Austrian Treaties. It asked payment "in the shortest possible time" of reparations from current German production, including 500,000 tons of coal annually, and also sought restoration of Greece's prewar tobacco market in Germany.

The Greek claims were added to those of other victims of Nazi aggression as the deputies faced a showdown on Soviet opposition to an Australian demand for full participation by the smaller nations in drafting the two treaties.

The Greek memorandum was the most detailed yet presented. It called for revision of the Paris reparations agreement of January, 1946, under which the Allies allotted Greece 4.35 per cent of all German reparations payments, and said reductions in the payments to other nations "should, to the largest possible extent, go to increasing our share."

The note said Greek demands would receive added support if other Allied nations received territorial awards in addition to reparations as fixed in Paris.

"If the Saar goes to France, it would be inequitable that France should keep the full share alotted to her under the agreement," it said.

Red Banner Removed From Oberlin Flagpole

OBERLIN, O.—(AP)—The Communist Flag no longer flies from the flagpole of Oberlin College.

It was removed by workmen yesterday after having been hoisted by unknown persons during last week-end.

Delay in removing the flag was caused by the fact that the rope used to run it up the pole had been cut.

College authorities attributed the incident to pranksters. Oberlin College is a liberal arts, co-ed school.

Fight Ties Up Georgia Collections

Revenue, Highway Operations Hit

ATLANTA — (AP) — All Georgia revenue collections and the operation of the State's Highway Department have been tied up by the dispute over the governorship, State Treasurer George B. Hamilton disclosed today.

Hamilton, who receives tax collections from the Revenue Department and pays out warrants for its operation, and who receives all Federal funds allotted to the Georgia Highway Department, said difficulties over bonding of key officials raised legal obstacles to his recognition of appointees named by Herman Talmadge.

Rival administrations were appointed both to the State Revenue Commission and to the State Highway Department by Talmadge, who was elected Governor by the Legislature, and by M. E. Thompson, who claims to be "Acting Governor" in succession to Ellis Arnall, resigned.

In the Highway Department, Hamilton said, the Talmadge-appointed Treasurer has not been confirmed by the State Senate and hence transfer of bond from the previous Treasurer is illegal.

In the Revenue Department, Georgia law requires bond of the Commissioner to be approved by the Attorney General. Bond of $70,000 posted by Talmadge-appointed Charles Redwine lacks the approval of the Attorney General who refuses to recognize Talmadge as Governor and who has already given approval to the bond of Thompson - appointed Stonewall Dyer.

CHECK CASHED

Earlier today, Talmadge's gubernatorial rival, M. E. Thompson announced he had been recognized as "Acting Governor" of Georgia by the Fulton National Bank of Atlanta which cashed "without question" the first executive check drawn under he took office.

Thompson said the check, for $50, was for postage and had been presented in person by Phil Landrum, Thompson's secretary of the Executive Department. It was drawn against approximately $97,000 which was turned over to Thompson by retiring Governor Arnall.

Talmadge, rival "Governor" by virtue of election by the Georgia General Assembly said yesterday in a news conference he expected to have custody of the executive funds in time to meet his payroll February 1. Thompson said today: "I think this answers Mr. Talmadge."

Talmadge when asked by newsmen for comment on the bank's cashing of the Thompson check, said he was busy at present trying to institute a program for the State of Georgia and expected to get control of the Executive Department funds in due course.

Sugar Controls Favored By Taft

WASHINGTON — (AP) — Chairman Taft, Ohio, of the Senate Republican Policy Committee said today he personally favors extension of Government controls over sugar and rubber.

The necessity of action on the Second War Powers Act (which authorizes such controls) before it expires March 31 was discussed by the committee today without any final conclusion, Taft said.

He reported the group also talked about early Senate action on a proposed constitutional amendment limiting the tenure of future Presidents to two four-year terms. There was no decision, he said.

Senators Order Probe Of WAA

WASHINGTON — (AP) — The Senate Expenditures Committee today ordered a broad investigation of the War Assets Administration. It also made a bid for the right to act on forthcoming Army-Navy unification legislation.

Chairman Aiken, Republican, Vermont, told a reporter the committee decided to delegate three members to work with a House Expenditures Subcommittee in looking into the disposal of war surpluses. Reports that some surpluses have been withheld from the market will be one subject of inquiry, he added.

'Sound & Liberal' Approach

Sen. Ball Would Revoke Labor's 'Special Privileges'

By MAX HALL

WASHINGTON — (AP — Senator Ball, Republican, Minnesota, told the Senate Labor Committee today that the wrong approach to labor union problems is to give the Government vast power to deal with industrial crises.

Hits said the Ball-Taft-Smith Bill takes the "sound and liberal" approach—to correct in the law "the underlying causes that breed the crises." That is, he said, to eliminate "special privileges" of unions and make "their vast economic power responsible to the public interest."

Also scheduled for testimony at the opening of a five-week hearing was Senator James Murray, Democrat, Montana, who, with Secretary of Labor Schwellenbach takes a more moderate position of changing the labor laws than does Ball.

Schwellenbach, abed with a severe cold, was unable to appear. He has prepared a 30-page statement detailing his position and may be able to read it before the committee next Tuesday or Wednesday.

The thirteen-man committee started hearings on a tangle of complex labor questions—but not on the question of preventing strikes in essential industries.

Not a single bill has been introduced in the Senate that would outlaw strikes in public utilities or compel unions and employers to settle their disputes peaceably. Several "compulsory arbitration" bills have been introduced in the House, where hearings may begin next week. These measures are opposed by Ball and some other Senate Republicans.

The Ball-Taft-Smith Bill in the Senate would eliminate what its sponsors call abuses of labor union power, and would create a Federal mediation board which could delay a strike 60 days. The bill is a revised version of last year's Case Bill, vetoed by President Truman.

Besides Ball, the sponsors are Chairman Taft, Republican, Ohio, of the Labor Committee, and Senator H. Alexander Smith, Republican, New Jersey.

Ball acknowledged that the Case Bill—and by implication the Ball-Taft-Smith Bill—would not have prevented a single one of last year's major strikes over wages.

"But the criticism is still completely beside the point," he said in a prepared statement. "The paralyzing strikes of 1946 were not isolated strikes occurring in a vacuum. They were symptoms of something basically wrong in our national labor relations policy."

In the last twenty years, he said, the Government has steadily increased the power of unions while lessening their legal duties. At the same time, he said, employers have found their freedom of action steadily curtailed, while many new duties have been imposed.

Columbia Case

WAA Bribery Plot Frustrated By FBI

COLUMBIA, S. C. — (AP) — Three arrests in New York City last night after four arrests here Tuesday frustrated a scheme to purchase fraudulently nearly $1,000,000 worth of surplus Government property, Federal Bureau of Investigation Agent Noel Wright announced today.

Wright, FBI agent at Savannah, Ga., listed the men arrested in New York as George J. Aaronson, Myron Aaronson and Jules Aaronson.

BONDS POSTED

Meanwhile, three of the four arrested here on Federal complaints that they tried to bribe a War Assets Administration official were released after posting bonds of $10,000 each with U. S. Commissioner R. Beverly Sloan.

Those released, Sloan said, were George A. Stein of Atlantic City, N. J., Rudolph Shiffer and Charles Kessler of Philadelphia.

The fourth man, listed by Assistant U. S. District Attorney Henry H. Edens, as Edward Siegel of New York, remained in custody after failing to post bond.

Wright told this story of the men's operations:

Checks and cash totaling nearly $2,000 were given the WAA Official here in exchange for his promise to advise the group the amount of the lowest bids necessary to buy surplus steel, textiles and assorted shoes.

Siegel first contacted the official Dec 27 with final meetings Monday and Tuesday. Orders totaling $662,419 for surplus steel were given the WAA this week, and 35 checks drawn on the Speedee Products Corp. headed by Keesler were presented.

ORDER FOR SHOES

The WAA official was to receive later a check for $227,200 from a Columbia jobber as an order for shoes.

The WAA official continued to receive checks from the group, but kept the FBI informed as negotiations progressed. When he had gathered enough information, agents moved in to arrest the men.

The official's identity was withheld.

Balanced Budget Goal

WASHINGTON — (AP) — Adoptiha a "why wait until next year?" attitude, Rep. Taber, Republican, N. Y., said today he intends to balance the Federal budget "this year."

Taber, chairman of both the House Appropriations and joint Senate-House Budget Committees, already has disclosed plans to (1) use a "sledgehammer" on the 1948 budget and (2) re-survey all 1947 spending programs which still are awaiting actual outlays of money.

Today Taber said he will go one step further—by digging into appropriations actually voted by the last Congress. The objective will be to recapture some of the money not yet spent.

OPA UNDER FIRE

Shaking a finger at OPA the Commerce Department and the Army and Navy, the New Yorker told a reporter:

"My studies indicate very large sums that can be cut back from appropriations already made, affecting many Government Departments.

"Also I believe the Administration has underestimated revenues in the current year by $1,000,000,000.

"I believe we can balance the budget this year as well as next year."

The Treasury now estimates current year spending at $42,500,000,000 and revenues at $40,200,000,000, leaving a deficit of around $2,200,000,000.

Mr. Truman's $37,500,000,000 budget for the fiscal year beginning

See TABER MAKES on page 10-A

British Murder Case

Officers Seek Slayer Of 'Red Riding Hood'

MANCHESTER, Eng. —(AP)— Two Scotland Yard homicide investigators joined the hunt for the slayer of 10-year-old Sheila Gowrie today after noting similarities between the death of Manchester's "Little Red Riding Hood" and Norma Dale, four, who was found murdered on a Yorkshire moor last September.

The right shoe was missing from each body. Both little girls died of strangulation. The body of each had been carried from the scene of the crime.

The body of the Gowrie Child, slain while carrying a gift of food to her grandmother, was found huddled against the back door of her home yesterday. Unlike Norma Dale, she apparently had not been raped, police said.

Detectives discovered Sheila's missing right shoe in a back yard two doors from the Gowrie home.

Still sought was the can of meat Sheila was taking to her grandmother's and which was never delivered.

Police admitted failure to establish a motive for the crime. The child's clothes were still clean and there were no signs that she had struggled against her attacker.

Helicopter In Crash

By ALTON BLAKESLEE

ABOARD U. S. S. MT. OLYMPUS, LITTLE AMERICA—(AP)—A new helicopter of the Antarctic expedition crashed into the Pacific Ocean today on a takeoff from the carrier Philippine Sea but all aboard were rescued uninjured, Admiral Cruzen announced.

(Names or number of the rescued men were not reported, but it is presumed the helicopter was of the usual two-seater type used for survey flights.)

The helicopter was the third plane lost by this expedition. The first was a PBM mariner which crashed with three fatalities Dec. 30. The second was a wheeled helicopter from the Pine Island of the Eastern group, which was lost Sunday because its rotors became iced. Its two occupants were rescued.

The wheeled helicopter lost today was starting a reconnaisance flight in good weather when it suddenly went overside from the carrier. Admiral Cruzen said he had no details. Cruzen in a busy news conference also announced it was considered too hazardous to try to recover the bodies of the three men killed in the PBM crash on icy James Elsworth Coast. He said one or two families had requested the bodies be returned for burial.

Cruzen also said he had been in touch with Admiral Byrd aboard the Philippine Sea, still 700 miles away, and that it might be necessary for the central group to leave Little America much earlier than planned.

Cruzen said he and Byrd "both agreed that the ice pack north of us means very probably that we will have to clear out earlier than originally planned. We will know a great deal more after the ice-breaker North Wind comes back after a rendezvous with the Philippine Sea."

The Philippine Sea is about 700 miles north of Little America, near Scott Island, and the icebreaker is expected back in a few days.

The ice pack has been at record length and there is danger it will freeze suddenly, blocking the exit.

Celanese Job To Start Soon

ROCK HILL, S. C. —(AP)— With preliminary work already under way on the giant Celanese Corp.'s $40,000,000 plant near here, the Daniel Construction Co., contractors for the development, announced today that actual construction would start by March.

Charles E. Daniel said materials for the plant were now being assembled and that every effort would be made to have the plant completed in record time.

The plant will be built on a 1,098-acre tract bordering the Catawba River between Rock Hill and Fort Mill. The plant itself probably will cover 100 acres adjacent to the Columbia-Charlotte highway.

The Celanese Co., in addition to the huge mill, will construct its own water and sewerage plants, its own power plant and other auxiliary services. Water will be obtained from the river.

Unanimous Approval Given By Both Houses

Compromise Plan Gets Quick Vote

RALEIGH — (AP — Both Houses of the General Assembly unanimously adopted today a compromise proposal embodying payment of an "emergency bonus" to public school teachers and other State employees.

Members of the Conference Committee said the compromise contained higher payments to persons in the lower salary brackets than were recommended in a conference report turned down by the House last week.

There were only brief explanations of the new conference report, adoption of which ended a two-week struggle over salary increases for the last six months of the biennium ending June 30.

Robert G. Deyton, assistant director of the Budget, said the total amount of money involved was "little different" from the $8,150,000 involved in Rep. Oscar Barker's proposed "amendment to the supplemental appropriations bill.

All fourteen of the conferees agreed on the compromise, which differed from the first conference report in the method of payment.

"EMERGENCY BONUS"

In place of "emergency salaries" specified in the original bill, which passed the Senate but was turned down by the House, the compromise termed the extra pay to teachers and other State employees an "emergency bonus" for services rendered and to be performed."

The bonus ranges from $144 for persons making $1,200 and less annually to $270 for persons making $7,701 to $6,000.

In the House, adoption of the conference report was moved by Rep. R. L. Harris of Person. His motion was seconded by Durham's Rep. Barker, who led the long fight for a higher scale of pay raises.

Sen. Wade Barber of Chatham moved for adoption in the Senate, and a second came from Sen. Rivers Johnson of Duplin.

Deyton said he had not had time to compile figures on the total amount involved in paying the bonus, but he said it certainly would be close to the $8,150,000 which it was estimated the Barker Amendment would cost. The original Administration - backed bill would have cost about $6,900,000.

HIGHER RATE

Conferees explained to newsmen that the net effect of the compromise was to give a higher rate of pay increase to teachers and other State employees in the lower brackets.

Where the first conference report, which was turned down by the House but adopted by the Senate, provided for a total increase of $140 for persons making $1,200 or less annually, the compromise adopted today calls for $144. The original bill called for a $120 total increase in this bracket.

The bonus plan provides a lower net gain for persons making above $2,100, when compared to the first committee report.

Since most teachers are paid beneath that figure, the bonus plan

See BONUS on page 10-A

Bonus Scale

RALEIGH — (AP) — Here is the schedule of bonus payments approved unanimously by the State Legislature today:

Annual Salary	Bonus Payment
Up thru $1,200	$144
$1,201 to $1,380	$162
$1,381 to $1,560	$180
$1,561 to $1,740	$198
$1,741 to $1,920	$216
$1,921 to $2,100	$234
$2,101 to $2,400	$246
$2,401 to $2,700	$258
$2,701 to $6,000	$270

WEATHER

Fair and warmer this afternoon and tonight. Friday partly cloudy and mild.

Temperature at 3:30 today	51
High and low last 24 hours	56-31
Sunset today	5:32
Sunrise tomorrow	7:07