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ESTABLISHED DEC. 8, 1888

THIS SCENE WILL NOT BE REPEATED



President Truman, facing a battery of cameras, stops to chat with a reporter before he begins his last press conference Thursday in the White House.

Old State Department Building across the street from the White House. (United Press Telephoto).

Farewell Message to Nation

Truman Sees Reds' Collapse

By ED CREAGH

WASHINGTON (U)—Retiring President Truman predicts Soviet Russia's aggressive schemes will collapse, sooner or later, under the growing weight of the free world's defenses.

And that, he forecast in a farewell message to the nation from the White House last night, will lead to a new golden age—to an era of spreading world authority, and of peace "as far ahead as man can see."

Truman took over the nation's radio and television networks for a highly personal, sometimes emotional, review of his eight turbulent years in the White House and said at how they may look in the light of history.

CITES DANGERS
He pointed to dangers ahead of a possible new world war that would dig the grave of Western civilization and of its Communist enemy alike.

He disclaimed for this nation any will to provoke such a conflict by hurling ultimatums or by using terrible new weapons. "Starting an atomic war is totally unthinkable for rational men."

He called for complete public support of his successor, Dwight D. Eisenhower.

Finally, putting eight years of controversy behind, the outgoing President ended his valedictory with a gentle:

"Good night—and God bless you all."

It was at just such a come-what-may session with newsmen—his 324th and last—that the President read a formal statement upholding the right of newsmen to ask a chief executive, on behalf of the nation, all sorts of questions in open meeting.

It's important to a democracy, Truman said, that "every medium of communication between the citizens and their government, particularly the president, be kept open as far as possible."

He went on:

"This kind of news conference where reporters can ask any kind of question they can dream of—directly to the president of the United States—illustrates how strong and how vital our democracy is. There is no other country in the world where such unlimited questions."

On Government Contracts

Failure To End Discrimination Charged

By NORMAN WALKER

WASHINGTON (U)—A Government committee accused many Federal agencies today of failing to enforce the ban against racial discrimination contained in practically all Government contracts.

The committee, named by President Truman a year ago to obtain better enforcement of the clause, appeared to President Eisenhower to carry out a set of sweeping recommendations.

"If every industrial and commercial doing business with the Federal Government lived up to the letter of the non-discrimination in its contracts," the committee said in a report to Truman, "bias in employment would be a problem of the past."

"Government contracting is so far-reaching and widespread that millions of Americans in every trade and occupation are brought within the protective scope of the provision."

The committee, headed by Dwight R. Palmer of New York, chairman of the General Cable Corp., said investigations of discriminatory job practices in Government contract work showed that Government agencies, employers and labor union all were at fault at times.

The committee's report stated that most contracting agencies "apparently have viewed absence of complaints as assurance of compliance with the law in their contracts; effective execution of the non-discrimination clause has been conspicuously absent."

The committee recommended a number of new methods, including court injunctions against flagrant violations of contract anti-discrimination clauses and blacklisting from doing further Government business.

Among the other recommendations:

1. Designate the Labor Department as agency to receive complaints of violations. If it failed to obtain compliance, the case would be referred to the Federal enforcement action to the particular agency.

2. Require posting of notices of the non-discrimination rule in plants doing Government contract work.

3. Insist on practicing an anti-discrimination policy in all state programs financed by the Federal Government—such as public employment services, education and vocational training.

4. Require non-discrimination in the selection of suppliers supplying the District of Columbia.

At least three others are being delayed in Vienna, U. S. officials today identified one as Ernest P. Lewis, 40, Berlin-born and a naturalized employee of the U. S. Army's Pentagon.

They previously had disclosed the detention of Walter Lauber, an American student, for questioning.

THIRD HELD
A third man is known to have been seized but U. S. officials are withholding his name.

U. S. sources in Vienna said others would be questioned. Lauber's Austrian-born wife, Cecile, 36, a naturalized American, was reported to have disappeared and was believed to have fled to the Russian-controlled zone of the city.

Verber and Ponger are both natives of Austria but naturalized U. S. citizens.

SPEAKS WITH ACCENT
Ponger, who appeared first before a House subcommittee, heavily accented voice. He bowed low as a half-dozen marshals escorted him before the judge.

"Not you a lawyer?" the judge asked.

"Not so far," Ponger replied. "You, you going to hire a lawyer?"

Ponger replied that he wanted to consult two American lawyers he had known in Nuremberg, Germany.

The judge then asked whether Ponger had been given a copy of the indictment.

Ponger replied that he had not. Oran H. Waterman, of the Justice Department, said he was prepared to supply the defendant with one.

BOND FIXED
A new bond of \$50,000 was fixed by Judge Holtzoff for Ponger, and a minute later he set a similar bond for Verber.

Waterman asked for this high bond to reflect the seriousness of this case and in the light of the government's experience in Communist espionage.

Taft Fails to Protest

Senate Committee Approves Durkin

WASHINGTON (U)—The Senate Labor Committee today recommended Senate confirmation of Martin P. Durkin as secretary of labor, without a word of protest from Sen. Taft (R-Ohio), who had today the selection "incredible."

Taft raised no objection of any kind at a half-hour public hearing, held informally by the committee to clear the decks for Durkin's inauguration day installation in office.

He said he would not protest the first word of the unanimous approval.

SHORT SESSION
This approval came at a three-minute closed door meeting of the committee, called immediately after the public session.

Taft had denounced Durkin's appointment as incredible when the selection was announced by President-elect Eisenhower. Durkin, who was head of the AFL's Plumbers Union, is a Democrat; he supported Gov. Adlai E. Stevenson against Eisenhower.

However, Taft said later he would not oppose confirmation of the new labor secretary.

Eisenhower lists all of his cabinet choices approved by the Senate in time for them to take their oaths of office on inauguration day.

At the public hearing, Taft said he had little to say, but remarked that he understood the secretary-designate has stated that "you will regard yourself as a representative of the public and not a representative of a particular organization."

"That's right," Durkin replied. Taft said he understood Durkin has already been confirmed by the plumbers union.

Durkin confirmed this and said his successor already had been approved.

APPROVAL SEEN
Eisenhower's cabinet choices seemed assured of Senate approval although some of them had a rough time in appearing before committees.

He said before the armed services committee in a closed hearing four men chosen for high defense jobs.

Charles M. Kays, Deputy secretary of defense; Robert T. Stevens, Army secretary; Harold E. Talbot, Air Force secretary; and Robert B. Anderson, Navy secretary.

The armed services group still has pending Charles E. Wilson's disclosure that as secretary of defense he plans to hold on to 25 million shares worth of stock in General Motors, largest military contract recipient.

Wilson, who faced reported sharp questioning at a closed session of the group yesterday, was said by committee members to have testified he will get a \$40,000 a year pension from General Motors and \$63,000 in bonus payments, plus 15,000 additional shares of stock.

GUIN DENIED BY GRUNWALD
WASHINGTON (U)—Henry W. (The Dutchman) Grunwald pleaded innocent today to a 31-count indictment on charges of conspiracy to defraud.

"Not guilty, sir," Grunwald said in a firm voice when he appeared before U. S. District Judge Alexander Holtzoff.

The judge set Grunwald's trial at 10 a. m. today, continued at liberty under \$2,500 bail.

The indictment grew out of Grunwald's refusal last year to answer questions of House tax scandal investigators and his failure to produce records which had been demanded.

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J. K. DOUGHTON MAY BE GIVEN CHOICE POST

RALEIGH (AP)—When Rep. J. K. Doughton of Allgheny took forward appropriations bills prepared by the Advisory Budget Commission today, speculation began that he will head the powerful House Appropriations Committee.

House Speaker E. T. Bost Jr. was asked if there were any significance in the choice of Doughton to introduce the bills. Bost replied: "I don't think I ought to give the chairman of any committee until I'm ready to name my committee."

He said that would be either Monday night or Tuesday.

Doughton, serving his third term in Congress, has been considered a likely candidate for the appropriations post. The committee handles all spending bills.

If House committees had been appointed, the appropriations chairman would have introduced the bills.

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Figures Submitted By Advisory Group

RALEIGH (AP)—A budget calling for the appropriation of \$637,898,757 to operate state government during the next two fiscal years was presented to the General Assembly today by the Advisory Budget Commission.

It called for spending \$592,766,163 to operate state agencies, institutions and public schools during the two years beginning next July 1. It also added \$45,132,594 to appropriations for this fiscal year.

Two appropriations measures—one to provide funds for operation of state agencies, institutions and the schools and one to appropriate \$9,649,180 for permanent improvement of state institutions—were reintroduced in both Senate and House.

Sen. John D. Larkins Jr., of Jones, chairman of the Senate Appropriations Committee, said the bills forward in the Senate and Rep. J. K. Doughton of Allgheny offered identical measures in the House.

Larkins announced that hearings on the measures by the Joint Appropriations Committee will begin Wednesday at 2:30 p. m.

Major provisions in the proposed budget included a 10 cent per year increase, retroactive to last July 1, for state employees and public school teachers, and a \$17,636,500 fund to provide working capital and to cushion general appropriations against a possible decline in tax collections.

In addition, the appropriations measure proposes spending of \$290,794,638 for general fund operations during the two-year period beginning next July 1, spending of \$139,730,860 from the highway fund, and \$2,251,254 from the agriculture fund. A total of \$17,646,901 for the current fiscal year to provide the retroactive pay increase was proposed.

FUND SPENDING
General fund spending this biennium will run about \$248,300,000, not including the retroactive pay increase proposed in the new appropriations bill.

The commission pointed out it had received requests for appropriations totaling \$450,365,000, including \$124,121,221 in permanent improvements, it said, many of which "are considered essential," but lack of funds kept it from recommending more than \$9,469,180. This sum, it said, would allow the completion of work already started, preserve the state's medical and health facilities, and provide "neglected health facilities." Some \$5,763,685 of the permanent improvement work proposed would be at mental hospitals.

HOSPITAL CONSTRUCTION
Only \$75,000 was recommended to stimulate the local hospital construction program of the Medical Care Commission. This compares with two million appropriated for the program in 1953 and \$16 million in both 1947 and 1949.

The budget report was prepared under the direction of the Medical W. Kerr Scott. Budget proposals of Gov. Umstead will be made to the General Assembly next week. However, in his inaugural message Gov. Umstead proposed bond issues to continue the program of medical improvements of the mental institutions.

See STATE on page 5-A

Foreign Minister Of Red East Germany Arrested
The purge was launched by the conviction in Prague of Rudolf Slansky and 13 other once-powerful Reds.

The announcement of Dertinger's arrest was published in the Red Army newspaper Aletische Rundschau and the Communist News Service, and Dertinger's own party paper, Neue Zeit.

The arrest was based on his enmity against the German Democratic Republic which he carried out in behalf of an imperialist espionage ring, the announcement said.

One spare, slightly built man, the 51-year-old Dertinger has been working in office the Soviet occupation of East Germany made his post largely meaningless and his duties consisted primarily of acting as a front in the signing of treaties and agreements and greeting highly-placed visitors who arrived in East Germany with Soviet blessing.

The real boss of the ministry was Anton Ackermann, Moscow-trained Communist, who held down the key job of state-security.

Dertinger is the most prominent of the East zone clique to fall since the German Communists and parties allied with them were hit by the purge.

VACATION OVER
HONG KONG (U)—The Kearsarge, flagship of U. S. carrier Division Five, left Hong Kong today after being here for nearly two weeks since Jan. 10.

EVENING PRAYER
O God, who dost still speak to men in the stillness, I would now for a few moments shut out the busy hum of our restless life, to make for my soul a breathing space and to hear what the Lord God has spoken for my fast expectancy I open up the pores of my life to Thee, Jesus' name. Amen.

Comic Dictionary

FAIRY TALE
A story told to quiet a restless child or a suspicious wife.

OUR WEATHER

Fair to partly cloudy weather today, warm today and cooler tomorrow, with chance for scattered showers late this afternoon and tonight. Cloudy tomorrow with light rain.

High temperature yesterday, 67 degrees.
Low temperature expected today, 65 degrees.
Low temperature this morning, 59 degrees.
Low temperature expected tonight, 58 degrees.
Sunset, 7:38 A. M.; sunset, 5:35 P. M.

More Weather Data on Page 5-A

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