

# Peace Talks Rest With Reds—Dulles

NEW DELHI, India, May 22 (AP)—Secretary of State Dulles said today he doubted any good would come of big power talks with Soviet leaders unless the Communist bloc stopped its aggression in Korea and Indochina and agreed on independence for Austria.

His statement, given at a news conference here just before he flew on to Karachi, Pakistan, aroused special interest in the light of the coming Bermuda meeting of President Eisenhower, Prime Minister Churchill and whatever premier takes up the reins of France's fallen government.

Churchill has expressed the hope the Big Three talks next month might lead to a broader discussion of East-West tension with Soviet Premier Georgi N. Malenkov.

**First News Conference**  
"I doubt," said Dulles, "that very important results could come out of any high-level conference including the leaders of Soviet Russia so long as the Soviet bloc countries are promoting a war of aggression in Korea, a war of aggression in Indochina—against Laos; so long as in Europe they refuse to restore the independence of Austria and withdraw their occupation troops from that small and inoffensive country."

It was the first full-fledged news conference Dulles had given on his fact-finding tour of the Middle East and South Asia.

He answered only written questions handed to him in advance and refused to make any off-the-cuff comments, a procedure which aroused resentment among Indian reporters eager to get more details on Dulles' policy statements.

When the conference was over, many of the newsmen grumbled that Dulles' answers on Indochina, aid to India, a big-power conference, Middle East defense, and possible trade between Japan and Red China ran counter to the mainstream of Indian opinion.

Outside, police had arrested a number of Communist women seeking to present an "end the Korean War" memorandum to Dulles. They were held until Dulles left, then freed.

At the airport, Dulles said he felt his three days of talks with Prime Minister Nehru and other Indian leaders had led to better understanding on both sides.

**"Stalemate Can Be Broken"**  
"We had a very full exchange of views," he said. "It has been a worthwhile visit."

Dulles told the news conference that the U.S. thinks the present "stalemate of distrust" can be broken. But he added that distrust will continue as long as the Korean War goes on. He said the Soviet Communists could bring about an end of Red-led Vietnam aggression against the Indochinese kingdom of Laos.

"They could sign an Austrian treaty," he said. The United States has made concession after concession on the Austrian question.

## Graduation Invitation

Seniors may pick up their commencement invitations and announcements at the Student Union desk in Old Main. They must present receipts in order to receive the invitations and announcements.

## House Fights Cuts In Appropriations

WASHINGTON, May 22 (AP)—The House rebelled today against fund slashes made by its appropriations committee and voted to increase new appropriations for six agencies in the Labor and Welfare departments.

In the face of mounting sentiment for even further increases in allotments still to be considered, the committee won an agreement to defer more voting until next Monday and Tuesday.

The boosts ordered today were comparatively small, amounting to \$6.5 million on a bill totaling almost \$2 billion.

## Democrats Request Business Tax Hike

## Commission Told to Set Gas Prices

WASHINGTON, May 22 (AP)—By a 2-1 decision, the U.S. Court of Appeals ruled today that the Federal Power Commission should regulate the rates for interstate sale of natural gas by a company that produces and gathers it.

The ruling directly affects only one big producing company, but it has a potential effect on the gas bills of housewives and industrial users over much of the country.

The Supreme Court is expected to be asked for a final determination of the issue. A spokesman for the power commission said last December, the decision likely would be appealed no matter which way it went.

Judge Henry W. Edgerton, who wrote the main opinion for the Court of Appeals, said the power commission "applied an erroneous rule of law" when it decided in 1951 that it had no jurisdiction over rates charged by the Phillips Petroleum Co.

The commission based its decision on the premise that the Phillips company was not a "natural gas company" within the meaning of the Natural Gas Act.

A number of cities including Detroit, Kansas City and Milwaukee intervened in the case, urging that the commission's stand be reversed and that it be directed to fix the rates charged by Phillips.

The big gas producing states of Texas, Oklahoma and New Mexico, where the Phillips company has wells, also intervened, but on the commission's side.

The power commission has estimated that more than 2,000 companies may be affected by the ultimate outcome of the Phillips case.

## Cost of Living Rise Reported

WASHINGTON, May 22 (AP)—Living costs rose slightly between March and April, to approach the record mark, the Bureau of Labor Statistics reported today.

The government index advanced only one-tenth of one per cent between mid-March and mid-April. But it was up for the second straight month, and brought the index within one-half of a per cent of the peak set last November.

Despite the increase, predictions that President Eisenhower's abandoning of wage and price controls several months ago would not materially affect consumer costs still are holding true. The consumer price level has been fluctuating in a narrow range.

## Curtis to Command 28th NG Division

HARRISBURG, May 22 (AP)—Maj. Gen. Charles C. Curtis, of Allentown, today was named commanding general of the newly-reactivated 28th Infantry Division of the Pennsylvania National Guard.

The reactivation of the famed Keystone unit means that there will be two separate 28th divisions until the federalized body, now on occupation duty in Germany, is released by the regular Army.

HARRISBURG, May 22 (AP)—A top Republican leader said today Democrats are insisting on an increase in corporation taxes as a condition for support of a possible bi-partisan tax package.

The leader, who declined quotation by name, said there was a possibility the GOP lawmakers may go along with the Democrats on the idea.

"We don't have enough votes from among a 109-member Republican majority to put across a tax package without Democratic help," he told a newsmen. "Therefore, we must work with them."

Republicans defied precedent in accepting the Democratic offer to join hands in working out a solution to a two-month deadlock.

Rep. H. Andrews, House Democratic leader, held out the bi-partisan olive branch on taxes. He told the House yesterday:

"I am sure that a program can be devised that I can ask the members of this side of the House to support."

Speaker Charles C. Smith (R-Phila.) said Andrews and other Democrats would be called into conferences next week to discuss various components of a tax package to be drafted by Republicans.

"We're very willing to accept the Democratic offer," he said in an interview. "This is the first glimmer of a silver lining on the dark cloud of taxes so far this session."

Smith said a dozen or more components of a tax program are under consideration to plug a \$150 million gap in Gov. John S. Fine's proposed \$1.4 billion budget. Talk of a substituted tax program arose after the one per cent sales tax proposal was discarded.

The speaker said taxes under consideration range from reviving the cent-a-bottle soft drinks tax and increasing present levies on beer, liquor, and wine to imposing a mercantile tax on an impost on unincorporated businesses.

# Representative Asks Wilson's Resignation

WASHINGTON, May 22 (AP)—Rep. Yorty (D-Calif.) asserted today that Secretary of Defense Wilson should resign "and let somebody get in who understands our defense needs."

It was the latest in a mounting series of blasts directed at Wilson by both Democrats and Republicans who are opposed to Wilson's move to cut five billion dollars from Air Force funds in the fiscal year starting July 1.

"The reductions just don't make sense," Yorty said. He was following up an Air Force report which said the cut in funds would leave the Air Force well below the "absolute minimum" for national security.

**Prepared on Request**  
Yorty read the report into the Congressional Record yesterday. An Air Force spokesman said today it was prepared at Yorty's request in the office of Maj. Gen. Robert E. L. Elton, director of legislative liaison.

Sen. Ferguson (R-Mich.) whose Senate appropriations subcommittee heard testimony from Wilson on the Air Force cuts earlier this week, said he will demand that those responsible for the report go before his subcommittee. He said the report "disputes the facts as I understand them."

**Officials Questioned**  
At the heart of the controversy is the question of just what role the Joint Chiefs of Staff played in deciding on the reduction in Air Force funds. President Eisenhower proposed the five billion dollar cut as the biggest reduction in his budget for the next fiscal year.

Sen. Margaret Chase Smith (R-Me.) questioned Wilson and Deputy Defense Secretary Roger M. Kyes closely about the position of the Joint Chiefs when they were before Ferguson's committee.

Eisenhower has shaken up the Joint Chiefs, the nation's top military strategists, and named four admirals and generals who will replace those chosen by former President Harry S. Truman.

## Killer of 10 Gets 2-3 Years in Pen

BELVIDERE, N.J., May 22 (AP)—John Scarantino, 21-year-old Scranton, Pa., truck-driver, today was sentenced to two to three years in prison for the auto deaths of ten members of a farm family in a single crash.

Scarantino had entered a plea of guilty during his trial on an indictment charging causing death by auto.

# 12 Dead, Damage Mounts As Storm Hits Midwest

Violent spring storms lashed parts of the Midwest Friday, injuring at least a dozen persons, wrecking buildings and homes and causing damage estimated at several hundred thousand dollars.

Floodwaters caused by spring downpours forced hundreds of additional families to flee their homes on the Texas-Louisiana border and sent damage past the \$2. million mark.

In Iowa, a violent wind and electrical storm was blamed for the crash of a C46 passenger plane which plunged to earth and burned 16 miles east of Des Moines. The only two aboard, the pilot and co-pilot were killed.

Illinois, Indiana and Ohio bore the brunt of the Midwest storms which struck a few hours after tornadoes ripped across the Michigan-Canadian border, killing at least five persons.

The winds knocked down trees, snapped power and telephone lines and blocked highways with debris.

At Watseka, Ill., about 7 miles south of Chicago, the wind snatched a school bus from the road and dropped it upside down in a field many feet away. The driver and single girl passenger were injured seriously.

Three persons were injured near Martinton, in Northeast Illinois, when their home was wrenched from its foundation and dropped on its side.

At least seven persons were injured in the Illinois storm and five in Indiana.

Winds caused an estimated \$50,000 damage at the small Ohio communities of Greenford and New Albany.

## House Studies Salary Increase For Teachers

HARRISBURG, May 22 (AP)—The House education committee today took custody of new legislation to give Pennsylvania school teachers a \$200 a year cost of living salary increase.

The boost would be in addition to the \$200 a year automatic increase they will get under a 1951 law. Its estimated cost would be 24 million dollars in the next biennium.

The bill, introduced yesterday by Reps. William Z. Scott (R-Carbon) and Ellis E. Ferster (R-Snyder), is backed by the Pennsylvania State Educational Association.

Chairman W. Stuart Helm (R-Armstrong), of the House education unit, said the measure would be given a good consideration, together with a companion bill to increase state subsidies to school districts to cover the expense of the cost-of-living boost.

The maximum subsidy for the present school year is \$4300 per each teaching unit. A teaching unit comprises 22 high school pupils.

Under the new legislation, the subsidy, payable in the next school year, would go up \$200 to \$4500.

The PSEA called for the cost-of-living boost in a resolution passed last December.

## Ike Approves Tidelands Bill

WASHINGTON, May 22 (AP)—President Eisenhower signed the controversial tidelands bill into law today, declaring "I will always resist federal encroachment upon the rights and affairs of the states."

The legislation asserts the rights of states to all submerged offshore land within their historic boundaries and gives them authority to develop the oil and other mineral riches lying in the underwater territory.

California, Florida, Texas and Louisiana will benefit especially, since oil wells already have been brought in off their coasts.

**Today WARNER theatres**  
**Catharam**  
KATHRYN GRAYSON  
GORDON MACRAE  
"DESERT SONG"

**State**  
RITA HAYWORTH  
STEWART GRANGER  
"SALOME"

**Nittany**  
WAYNE MORRIS  
"ARCTIC FLIGHT"

**GMC--**  
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the five-year contract, wages and salaries are reviewed quarterly and adjusted with changes in the consumer price index.  
Nineteen of the 24 cents an hour cost of living allowance which the workers gained thus far under the contract, will be added to base wage rates as of June 1. This means that the amount of wages subject to downward revision from present levels is limited to 5 cents an hour, no matter how much the cost of living goes down.  
The agreement becomes effective with June pay periods.

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