

# Papaikou Worker To Start Protest To Magsaysay

## HONOLULU

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## RECORD

The Newspaper Hawaii Needs

Vol. 7, No. 31 ★ 10 Cents ★ Thursday, March 3, 1955

### EDITORIAL COMMENT

#### SAM KING'S GAG

The people of Hawaii now have an excellent chance to gauge the caliber of their local chief executive—the governor who holds his position not by will of the people but the will of one man, President Eisenhower, and his reaction to the representations of one party, the Republicans.

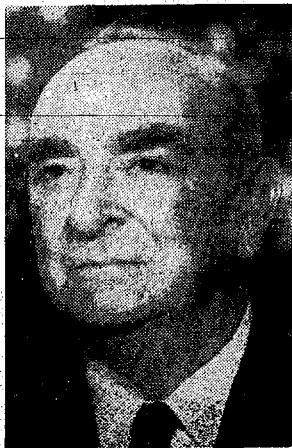
Every territorial department head who has appeared before the joint sessions of house finance and senate ways and means committees has stated publicly that his operation can get along well enough on the funds allotted by Gov. King.

But many have let legislators know privately that their departments need much more and that they have taken their public stand at the express "request" of the governor.

The DPI, according to the daily press, was ready to ask for a \$4,000,000 increase—before the governor let it be known that he would frown upon proposed additions to his budget.

Legislators, expecting the needs reflected by the Wilson Tunnel disaster, unemployment problems and other items of the labor department, were disappointed when spokesmen showed up with no figures. Their

(more on page 5)



### POLITICAL NOTES

#### Burns First To Reveal Origin Of '46 Graft Cases; Blames '43 Changeover

When John A. Burns testified in favor of returning police to home rule at a committee hearing, he touched on a subject that has occasioned more speculation, both written and oral, than possibly any other municipal affair in the past 10 years. That subject was the police graft cases of 1946.

Burns, now chairman of the Democratic central committee, and a police officer of extensive experience who resigned with the rank of captain, is the first public figure to state publicly that the police graft cases were directly attributable to the change in police responsibility to the governor and the resultant "political pressure."

Legislators apparently failed to catch the full significance of Burns' words, for no one asked him exactly how new "political pressure" could have been injected following the 1943 change of appointing power.

Some Kept Off Vice Squad Earlier  
After the hearing, Burns answered the RECORD'S questions on this point and drew the following picture: Prior to acquisition of appointing power by the governor, certain police officers had always been carefully kept out of certain "sensitive positions" (vice squad, etc.) by Chief William A. Gabrielson. But some time after

(more on page 4)

#### Bishop, Hawaii Banks Control 90.7 Deposits; 'Squeeze Play' Exposed

Hawaii's two big banks—Bishop National and Bank of Hawaii—control 90.7 of all bank deposits in the Territory with branches on other islands, according to reliable figures.

The concentration of finance capital in the Big Five banks is further shown by the 9.3 per cent of deposits held by three other banks—Liberty, American Security and Central Pacific—which operate only in Honolulu.

The emergence of Central Pacific Bank in Hawaii last year reduced percentage of deposits held by the two big banks by 2 per cent.

In 1953, Bishop Bank and Bank of Hawaii held \$359,323,851 in deposits while Liberty and American Security Banks held \$28,164,524. (more on page 7)

#### P. I. Consulate to Ask Republic to Tax Exempt Filipinos Here

The Philippines consulate in Honolulu will request the Republic's director of internal revenue to exempt Filipinos in Hawaii from income tax and penalty for not filing their returns yearly as required by law.

"We don't think it wise to tax them," Jose Tabora, vice consul, declared.

He said this matter which concerns tens of thousands of Philippines nationals in Hawaii should have been brought to the attention of the consulate here and thanked the RECORD for doing so. (See story in next column. Ed.)

The majority of Philippines nationals in Hawaii are not reporting their income to their government. (more on page 7)

By JOHN REINECKE

Why does the Office of Internal Revenue for Ilocos Sur province, alone among the provincial tax offices of the Philippines, insist on payment of income tax on their earnings in Hawaii from Filipinos returning for visits to their homes? This is what Leon Saldua, of Papaikou, Hawaii Island, wants to know after his experience last July with a Mr. Mercado, head of the tax office in Vigan, I. S., which cost him 160 pesos (\$80).

Mr. Saldua, an active union and community leader and former member of the National Guard who took a leadership training course at Ft. Benning, Ga., in 1952, went on a visit to his home province of Ilocos Sur last summer, intending to return to Hawaii within the six months period allowed by his employer, the Onomea Sugar Co.

Similarly with Hawaii, a tax

(more on page 7)

# Case of 3 Dropped by Labor Dept. to be Aired

The elimination of a division of the territorial department of labor more than six months ago and the subsequent discharge of three veteran employees is expected to come to the attention of the legislature within a few days, the RECORD has learned from reliable sources.

The division, no longer existent, is the field supervisory division, and the three former employees concerned are T. D. Dabagh, now with the department of health, Ralph Ikeda, now with the bureau of the budget, and Henry Mattos, since removed to Chicago.

Dabagh, former field supervisor, had nine years of service, Ikeda, former employment service technician, had 10 years of service, and Mattos, former unemployment insurance technician, had been 18 years with the department.

#### Urged By Brockway

Although the reason given for the elimination by E. B. Peterson, labor department head, was one of budgetary necessity, and although Peterson was backed by a report from Glenn E. Brockway, regional director of the U. S. bureau of employment service, one of the three former employees has made written representations that there is more to the story.

These representations have come into the hands of certain legislators.

The former employee, who may not be named at the moment, wrote that "they made it seem it" (more on page 5)

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#### Read Page 5

#### KAM SCHOOL

#### How Do Trustees Carry Out Wishes of Bernice Pauahi Bishop?

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#### Biltmore Hotel No Fire Hazard, Says Marshall; Stairways Are Fire Towers

Despite present crowded condition of the Waikiki Biltmore's elevators and the lines of waiting passengers, there is no fire hazard for patrons of the Greenbach establishment, Territorial Fire Marshall Frank Sommerfeld believes.

The reason, Sommerfeld says, is that both staircases which extend the full 11 storeys of the structure, are fireproofed and equipped with fire-proof kalamite doors.

In theory, the stairways would act as "fire towers," Sommerfeld says, and the hotel patrons could crowd in them and remain safely in the event of fire, while the building burned down around the towers.

The question arose as a result of doubts of some employees as to

the security of the new hotel against fire, and the fear that overjamming of elevators and stairways might have serious implications.

Aside from the fire-proof of the towers, there was only one hitch about making the stairways fire-proof, Sommerfeld revealed, that being the special kalamite, fire-proof doors. Ordinary doors for elevator shafts cost only \$40 to \$50, while the fireproof doors cost \$185 each.

#### Builders Screamed

"Did they scream?" Sommerfeld recalls, laughing over the door incident. But the fire marshal insisted that the law would have to be complied with, and the special doors were installed.

(more on page 4)

### BROAD SMEAR

#### Subversive Commission Reports On ILWU, UPW, RECORD; Fights For Life

The territorial subversive activities commission, which is trying hard to get legislation appropriation of \$50,000 for its existence, declares that its current report "is chiefly confined to a study of personalities and activities of the Communist Party" because it "has no information indicating the existence in Hawaii of Neo-Fascist or Hate Groups."

Chief subject of the report is the ILWU which the subversive activities commission says "has been the principal instrument in the dissemination of Communist propaganda in Hawaii" during the past two years, the period covered by the report.

#### Broad Smear

Employing a smear tactic the commission's report mentions in

its treatment of "Communist" activities, territorial radio stations which carry ILWU programs, the public library which uses films made available by the union's educational department and politicians said to have been elected with support from the union.

Its allegations may seem fantastic, especially to those who listen to the nightly ILWU radio broadcasts or readers of its Monthly publication, the Reporter. The report says by means of its publications and radio broadcasts, its distribution of books and films, and its adoption and circulation of official resolutions transmitting the international and national Party line for local consumption, "the ILWU has contributed great" (more on page 4)

# Home Rule--Freshman Legislators Show Ability

By STAFF WRITER

To the surprise of no one at all, the county committee of the house of representatives voted unanimously Monday to recommend passage of a bill to return control of police commission from the governor to the respective counties. Only Rep. Esther Richardson (R. Hawaii) failed to have a vote recorded in favor of the measure, and she was absent.

Similar action is expected on a bill to return control of the liquor commissions to the counties, also. Both bills represent strong planks in the Democratic platform last fall.

But what did surprise the hundreds who thronged to public hearings on the police bill last Wednesday and Thursday nights was how



CHIEF LIU

the Democrats, a number of them lawyers, laid bare the thinking of opponents of the measure—sometimes against the wishes of the witnesses, themselves.

At one point, under this questioning, Lester Petrie Sr., former mayor and now chairman of the Honolulu police commission, seemed on the verge of admitting he was against statehood.

Liu Chief Target

Chief Dan Liu, one of the strongest opponents of the measure and one who occupied the stand for long periods during two sessions, got the question which seemed uppermost in the minds of the young legislators—and the one opponents of home rule find hardest to answer.

It came from Rep. Masato Doi (D. Oahu) when he brought a sequence of questions to a climax with, "In other words, you feel the farther the police are removed from the people, the better?"

Chief Liu, didn't answer that in a direct affirmative, of course. He sidestepped into talk about different systems of government. But by that time a good many of his listeners felt Masato Doi had put the whole problem of the evening into a neat nutshell.

Earlier, Doi had asked whether Liu believed in the principle of "government by the consent of the governed."

"I don't know," Liu answered.

Liu Favors "In Principle"

Liu had said he favors home rule "in principle," but no one could draw him into any specific mention of where he thought the principle should be applied.

Rep. Daniel Inouye (D. Oahu), majority floor leader, took exception to Chief Liu's earlier statement that home rule for police would destroy the system of checks and balances.

What check for the people is there at present, Rep. Inouye asked, in the present system which allows a governor to make an interim appointment of a commission without any confirmation by the senate, for a period of a year and a half, or more?

Liu had no answer for that, nor would he comment on the thought, published in a Star-Bulletin editorial, that the purpose of this measure "is to oust Dan Liu."

Won't Judge Electorate

Liu was asked by Inouye if "you



SPEAKER KAUHANE

have confidence in the electorate of the several counties?"

To that he answered, "I don't think I should judge that."

Rep. Manuel Henriques, veteran Democrat from Kauai, figured conspicuously in the questioning, giving Liu full opportunity to state his side of the case. But one of the questions brought a surprising answer.

It was one of a series on police graft and Henriques wound it up with, "Do you have any graft?"

What About Hapai?

"Not during my tenure," Chief Liu answered, and though none have charged the present police's administration with corruption, the reporters wondered if the case of Isma Hapai had escaped the chief's mind. Hapai was fired after Alex Sumida accused him of taking pay-offs running into the thousands. Although he was acquitted of the charge, he was not reemployed by the police.

Liu was pinned down to specifics by Speaker Charles Kauhane and Rep. Nadoo Yoshinaga (D. Maui). They asked about statements Liu

was reported to have made at Hilo some months ago pertaining to "leeches and politicians" whom Liu accused of trying to run the department, and who would have a better chance, according to him, under home rule.

The chief denied using "politicians" in a derogatory sense, and finally said that by "leeches," he had meant "influence peddling."

Can't Name "Leeches"

But he would not name anyone in that connection. Under pressing questions by both legislators, Chief Liu came up with the statement that made headline stories in the dailies last Friday. He said the department is investigating a case of influence-peddling and he can't reveal the names involved because "our investigations are not concluded."

Rejects Kono's Offer

But he did not avail himself of the offer, made by Chairman Russell Kono (D. Oahu), that the committee would assist the investigation.

More than one spectator wondered, as Liu left the stand, if he had merely resorted to the old police trick of claiming "investigation under way," when an uncomfortable subject came up. If not, many agreed, a criminal charge on influence-peddling would be a novelty—at least until action is taken on the proposed restrictions on lobbying.

Impressive witnesses speaking for the measure were Sup. Mitsu-yuki Kido, representing the Honolulu mayor and board, and John A. Burns, Democratic central chairman, and Democratic candidate for U. S. delegate in the last election.

Kido pointed out that, because of the long interim appointments possible under the present setup, cures for possible graft and corruption in the police force would be slower in coming than under home rule—where the mayor and the board act every week.

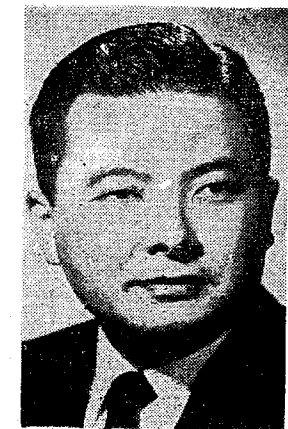
Baited a bit by Rep. Henriques, Kido reminded the Kauai veteran that, as a legislator, Kido had introduced a similar bill a few years ago, "and you voted for it."

Graft Because of System

Burns, a police officer from 1934 to 1945, made the charge that the police graft cases of 1946 came "because of the change in system in 1943." That was the year the commissions were made appointive by the governor.

"Until 1943, I was proud to be a member of the Honolulu police force," Burns said.

Though he resigned before the police graft cases broke, Burns



REP. INOUE

said, "it was obvious that they were coming."

As a chief cause, he cited "political pressure" under the present system.

It was a startling rebuttal thrown in the teeth of the arguments of Chief Liu and opponents of home rule that "political intrusion" will lower present standards of police work.

## First World Rice Surplus In 20 Yrs. Makes Heavy Impact On Producers

The price of U. S. rice at \$4.92 a sack (100 lbs.) is far above the world rice price and the U. S. product is being forced out of the world market, according to the California Farm Reporter, Jan. 1955.

This situation prevails when today for the first time in 20 years there is a world rice surplus.

U. S. production of 61.4 million sacks in 1954 is 2 per cent of the world crop. Since 1941 U. S. production shot up from 28 million sacks to 61.4 million. The American people consume 26 million sacks of rice a year, leaving 35.4 million available for export.

Japan Major Importer

More than 60 per cent of U. S. rice exports go to Japan but Japan is turning to Asian countries for her rice supply for economic reasons, the Farm Reporter says.

"Japan's imports exceed by nearly \$1.5 billion a year," says the farmers' monthly. "A market must be found for this amount of her manufactured goods, so Japan is trying to substitute cheap rice from Southeast Asia for expensive U. S. rice."

"Southeast Asian countries will take Japan's industrial products in exchange."

California which ships rice to Hawaii produces about 25 per cent of U. S. rice supply and Japan's move to buttress her economy by importing rice grown in Asia affects California farmers.

California's Problem

The Farm Reporter explains the difficult situation facing California rice growers. It says:

"Continuance of federal price supports at from 75-90 per cent parity means acreage cuts, and possible loss of export markets."

On the other hand, "Removal of price supports would allow unlimited production with the thought that consequent lower prices would allow U. S. rice to compete on the world market. But if price supports go out, many marginal producers will go with them."

Dean Knowles A. Ryerson, University of California College of Agriculture, who late last year returned from an inspection of U. S. technical aid programs for agriculture in Asian countries told California state chamber of commerce agricultural section that international trade cannot be built on barriers.

Farmers Need Peace

He suggested, "By re-examining our 200 California crops, maybe we can shift some so as to give countries which can grow only one or two crops a chance to have this export market."

He explained that "Peace depends on a prosperous community of nations. Without peace there can be no economic security for farmers."

He remarked on changing conditions in the Far East, saying the people there are immensely proud of their newly won free-

## SUGGESTION BOX

Some months ago someone on the University of Hawaii faculty staff suggested training local youth in trade skills and sending them to the Mainland. A visitor from the Mainland says schools are giving the same sort of training up there and suggests that the Territory take care of its own people by opening public and private lands and starting new industries.

★ ★

SINCE CHINA trade is embargoed, Editor Riley H. Allen of the Star-Bulletin suggested a few months ago that local businessmen go into production of articles which would pass as made-in-China products for the tourist trade. On the Mainland goods from China come in through Canada and prices are not too high, after custom duties are paid. Local businessmen can't match that price.

dom and are determined to catch up with the rest of the world in technical progress.

Thailand and South Korea which are partners in the "free world" depend on rice exports. Burma is another big rice exporter. Although half of the world's people live on rice, their commodity is becoming increasingly difficult to sell. India, Indonesia and Japan are the chief rice importers. India has stepped up her production.

China is exchanging rice with Japan for ammonium sulphate and with ceylon for rubber. On the other hand, China is importing 200,000 tons of rice from Burma in exchange for machinery manufactured in China.

## PHILIPPINES NOTES

### Johnny Hill, Once Triple Champ Of Orient, Today Sleeps On Borrowed Bed

Johnny Hill, one of the greatest boxers ever produced by the Philippines, is today a beggar in the village of Binakayan, Cavite, reports the Manila Herald, Feb. 17, and "suffering from what appears to be epileptic fits."

The Herald uses Hill's story to point out the evils that may come from boxing and to push the benefit boxing card scheduled for April in Manila. Hill is one of the beneficiaries of the benefit.

In his prime, Johnny Hill was a triple-champion of the Orient, holding titles in the bantamweight, featherweight and lightweight classes. He took the lightweight title from Kid Moro, well remembered in Honolulu as one of the most spectacular fighters ever to appear here.

Hill's father, says the Herald, was an American Negro, his mother, a Filipina, and he was born in Cavite in 1905. He began fighting at 17 after he had put the slug on five other youngsters in a battle royal.

After a few fights in Cavite, and without ever fighting in Manila, Hill was taken by his manager to Shanghai where he knocked an opponent in five rounds.

Three In A Row

Brought back to Manila, he competed for three years, climbing steadily, and took the Orient's bantamweight title from Clever a kindly old couple have allowed Sencio in 12 rounds.

Al Silver, the featherweight champion, was next and he lost his title via the kayo route in three rounds.

Then came a victory over Kid Moro, the lightweight titleholder, and Johnny Hill was a triple-champion.

Campaigning in the U. S. a bit after his peak, Hill won 25 out of 30 fights, which the Herald calls "as great a ring campaign as any ever staged by a Filipino abroad with the exception of a few such as the immortal Pancho Villa."

Johnny Hill fought a number of times in Honolulu and is well remembered by local fans, one of his biggest gates being his victory over Young Nacionalista.

But in 1931, the rigors of the ring and the fast life Hill was leading, says the Herald, began to take their toll, and he was losing decisions to mediocre fighters.

Suddenly ill, he was taken to a hospital and a fortune was spent trying to cure the pains that tore at his stomach and wracked his limbs. When the doctors finally decided they couldn't help him Hill was turned out into the world, almost helpless and physical and mental wreck.

Says the Herald: "Johnny's power of speech became a painful, babbling, half-coherent attempt."

Now he lives in the back of a sari sari store in Binakayan where him to make his bed.

# Reprimand of Juneau Spruce Lawyers For "Wilful Misrepresentation"

Attorneys for the ILWU asked the court to throw out the motion filed by the Juneau Spruce Corp. lawyers in their attempt to collect \$1,575 from the ILWU for 63 hours spent by them in connection with the civil contempt proceedings brought against the union by them. The rate asked for comes to \$25 an hour.

The civil contempt order was thrown out by the court.

## Misrepresentation Charged

In a counter-move, Myer C. Symonds, an attorney representing the union in proceedings before Federal Judge J. Frank McLaughlin's court, filed a motion Monday in asking the court that "counsel for plaintiff be reprimanded for violation of the Canons of Professional Ethics" for "deliberate and wilful misrepresentation to the Court" in preparing the contempt order.

The motion asked that Juneau Spruce attorneys' request for attorney's fees and costs be dismissed. The attorneys are Howard K. Hoddick and Frank D. Gibson.

It also asked that "in the interest of justice the Court delete from its oral ruling discharging the civil order to show cause" certain statements made by the judge.

In dismissing the order to show cause why ILWU Local 142 should not be held in contempt of court, Judge McLaughlin had stated that "based on the facts made to appear in the order to show cause which must be treated as true for the purposes of this motion to dismiss, I believe that the Local 142 organization was in contempt of court." He also said that there was a "technical contempt."

## Order Contrary to Summons

The motion filed by Symonds declares that the order to show cause, as prepared by Juneau Spruce attorneys, was contrary to the garnishee summons issued by the court and "therefore there was no basis for the court to treat as true the facts as set forth in the order to show cause."

The order to show cause was issued against the union after \$52,000 of its Local's funds were sent to the International Union. Earlier the court had ordered the freezing of the union's funds here after Juneau Spruce initiated legal moves locally to collect part of a million dollar judgment against the International Union.

Aside from the civil contempt order, criminal contempt orders were issued in connection with the transfer of \$52,000. The union and its officers were cited in the criminal order. Both criminal and civil orders have been dismissed.

"The garnishee summons, a part of the court record, on its face did not require the holding of any money," the motion filed by Symonds said.

## The Court Assumed

Attorneys for Juneau Spruce committed "deliberate and wilful misrepresentation to the Court" of the contents of the garnishee summons and "induced the issuance of the order to show cause and through palpably groundless



MR. SYMONDS

proceedings invoked the time of this Court" and counsel for the union," the motion said.

Judge McLaughlin himself, the motion declared, stated in an oral decision that in issuing the civil order to show cause, it assumed that the garnishee summons specifically included a mandate to hold ILWU money.

This conclusion of Judge McLaughlin "could only have been based upon" allegation in the show cause order prepared by Juneau Spruce attorneys for the court's signature. And the "allegation was not true," the motion said.

The "deliberate and wilful misrepresentation to the Court," the motion says, "constituted a violation of the Canons of Professional Ethics providing that it is unprofessional and dishonorable to deal other than candidly with the facts in drawing documents."

## Traffic Tolls Show For Honolulu Children Home Training Need

Instruction and guidance from parents and teachers are needed to reduce the number of traffic casualties to children.

That is the conclusion reached by Lt. Vernon Nunokawa of the police accident prevention bureau after a statistical study of accidents to teen-agers in 1954.

The study shows that during 1954, 555 children of 15 years or under were injured in traffic accidents.

Of this total, 220 were injured as passengers involved in automobile collisions, 225 as pedestrians, 33 as bicyclists, 57 fell from moving vehicles and 20 were injured within vehicles.

Fortunately, Lt. Nunokawa notes, no pedestrian of under 15 was killed, but of the 225 injured, 41 were charged with jay-walking or violating the right of way of a vehicle.

The 57 children who fell from moving vehicles comprised a large part of the total of 85 persons of all ages injured in that manner. The primary cause of this type of accident was found to be the improper locking of vehicle doors, and defective vehicle doors.

## Many Fell Forward In Cars

Twenty children injured within a vehicle, though no collision occurred, were mostly hurt when the vehicles made sudden stops in line with traffic signals, or to avoid traffic accidents, causing them to fall forward against dashboards or windshields.

Thirty-three of the 37 bicyclists injured in 1954 were below 15 years of age, and 21 of these were cited with violations of the traffic code ranging from careless driving to running a boulevard stop sign.

## Fifth Attempt to Deport Bridges Set for June; Expect Same Witnesses

SAN FRANCISCO — (FP)—June 20 has been set as the date for the fifth attempt to deport Harry Bridges, Australian-born president of the International Longshoremen's & Warehousemen's Union.

He will appear on that date before Federal Judge Louis E. Goodman for denaturalization proceedings, facing many of the same witnesses who have appeared against him before.

U.S. Atty. Lynn E. Gillard, who had agreed to a stipulation that Bridges' ideas and beliefs were not an issue in the proceedings, withdrew the agreement on orders from Washington. "The Dept. of Justice doesn't want me to preclude the possibility of offering evidence about Bridges' beliefs," he said.

Bridges' attorney, Richard Gladstein, protested that "no one in all this time has ever claimed that Bridges believed in the overthrow of the government, and his ideas have been subjected to the most searching scrutiny by trial examiners and found to be perfectly all right."

"I didn't realize the government was going to use a blunderbuss. If it can't prove that Bridges is or ever was a member of the Communist party — and nobody has ever been able to prove that—will it then proceed to drag in everything he has ever written, and try him for ideas of which the government doesn't approve?"

## Hall Questioned As Alaska Co. Attorneys Continue Search

The Juneau Spruce Corp. attorneys who are searching for International ILWU assets in Hawaii were told by Regional Director Jack W. Hall that the International has undetermined interest in some office furniture and supplies and possible interest in a revolving fund which does not exceed \$3,300.

Earlier, Saburo Fujisaki, ILWU Local 142 membership service director, took the witness stand in Federal Judge J. Frank McLaughlin's court. Fujisaki has been questioned off and on for about two weeks.

The Alaska company is seeking to collect in Hawaii part of the \$1,000,000 judgment it holds against the International Union.

Howard Hoddick, Juneau Spruce attorney, asked Hall who constitute members of the International. The union's official explained members belong to locals of the union, not to the International.

The company and the International had come to an agreement to settle the judgment for \$75,000, Hall said, but the board of directors of the company broke the agreement. He declared that the International felt there had been a "double-cross."

Hall was asked about ownership of the ILWU building in San Francisco, the union's library here, its political program, along with numerous other questions.

The union official said the organization's political action funds are used locally to promote a program that benefits members here.

Asked about his future status as an official of the International, in view of disqualification of the local union from the International, Hall said this will be discussed at the union's convention at Long Beach, in early April.

Last week Hoddick asked the court to order a complete audit of ILWU books but withdrew this request Monday.

## CONGRESSMAN DRIPP



"Statehood? We'll play the Oriental angle from behind the scenes to kill it. Some gentlemen from Hawaii are giving splendid cooperation!"

## Cop Nearly Killed By Burglars 40 Years Ago; Has \$125 Pension Today

How well does Honolulu take care of her policemen injured in line of duty?

Consider the case of Joseph Gora (originally Jose Matsugora) who took three bullets from a pair of burglars in 1915 and lived on to suffer further injuries in 1937, falling from a patrol wagon to the street and under a truck.

He's been retired ever since on something better than two thirds of the pay he received at that time — \$150 a month. He gets a sort of bonus that makes the total \$125.19. The retired policeman, now 68, receives this sum every month.

But how do you live on that in these days of inflation?

## Pensions Don't Rise

Like other old pensioners, Gora points out that, though policemen and other government workers get raises to keep up with the rising costs of living, pensioners are generally forgotten. And the essentials of life cost them just as much as they cost their younger, more able successors.

A police patrolman today starts at \$318.75, and the retirement fund pays him two thirds of that if he is hurt in line of duty so that he suffers total disability. Two thirds of \$318.75 would certainly sound a lot better to Joseph Gora than what he's getting, and proportionate increases would sound better to the other pensioners, he feels.

Democratic legislators have heard Gora's story with sympathy, but as yet nothing concrete has been suggested toward putting the pension up.

As for the elderly ex-policeman, he has a couple of clippings that tell of the original shooting. One, from the Advertiser of June 13, 1915, begins as follows:

"Jose Matsugora, police officer of Wahiawa, was shot yesterday afternoon by two Filipinos whom he was taking prisoner to Wahiawa, and will probably die."

## Herded On Motorcycle

Gora remembers the situation well. He had chased the pair quite a distance, believing them to have robbed a store at Mokuleia. There was no jail at Wahiawa, so he was going to herd them back eight or nine miles along the road to Wai-

alua, riding behind on a motorcycle while they walked.

"I made a mistake," he recalls smiling. "I searched them. One was carrying a bundle and I looked into that. The other was carrying a coat. I made a mistake because I didn't look into that and that's where the gun was."

While Gora was on his motorcycle, herding the two prisoners along the road near the entrance of the Castner Garage, one pulled the pistol and fired, knocking Gora off the motorcycle and to the ground. The bullet struck him in the side, and as he lay face-down, the burglar came up and fired two more shots into him, one lodging in his back, the other piercing his neck.

Then the pair took off. Gora was taken to Schofield for treatment and finally pulled through to serve years more on the force.

The burglars were apprehended, but sentences were apparently lighter than nowadays.

"The one that shot me got five years," remembers the old policeman. "The other one got six months."

But Gora still has a bullet in the neck to remind him of the shooting 40 years ago. He feels it whenever the weather's damp.

## PEOPLE ARE STRONG

The Chilean parliament in the first week of January forced President Carlos Ibanez to lift the state of siege imposed three months before to crush strikes in U.S.-owned copper mines. The parliament moved because of widespread popular protest.

★ ★

"I can whip any man working for me," boasted the foreman. "You can't whip me," said one husky lad.

The foreman looked him over carefully. "You're fired."

Erie Railroad Magazine)

★ ★

The oldest scheduled passenger train in the world is said to be "The Flying Scotsman" which has been running daily between London and Edinburgh since 1862.

Erie Railroad Magazine)

## 44 Years Before Union

"It is stated in plantation circles that three or four thousand (Japanese) coolies will arrive here during the next three or four months. This influx will tend to bring down prices for labor, will be some protection from strikes, and will influence lazy Japs to work so as to save their jobs."

"With Porto Ricans cut off at New Orleans, negroes a menace to society and white men and Filipinos unavailable, Japanese are the last recourse of the planters. Happily there are plenty of them to come."

—Pacific Commercial Advertiser, July 25, 1901

## Burns First To Reveal Origin Of '46 Graft Cases; Blames '43 Changeover

## Speaker Kauhane Hits Nail's Head

## Love's Leads ILWU Bowling League, Tamaye Scores High

## Hapco, Ewa Win 7 Straight to Lead ILWU Softball League

# Subversive Commission Reports On ILWU, UPW, RECORD; Fights For Life

## Biltmore Hotel No Fire Hazard, Says Marshall; Stairways Are Fire Towers

It is not, some customers complain, their idea of luxury.

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The  
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# Thousands of Hawaiians Seeking Entrance to Kam School Rejected

Kamehameha Schools: for boys and girls, supported from income of Bernice Pauahi Bishop Estate, turns away every year about as many applicants for entrance as there are students enrolled in the schools.

In Sept. 1952, for example, 1,402 applied for entrance from all islands and 230 were accepted. Those rejected totaled 1,172, when the student enrollment from kindergarten to the twelfth grade was 1,237.

## 1955 Application Open

The schools this week advertised a notice to prospective applicants for day student admission. It said that "entrance examination and personal interviews" will be held March 5, for "all Honolulu students of full or part Hawaiian ancestry who wish to make application for entrance in September 1955."

Vacancies are open in grade 7 for boys and girls, and 9 and 10 in both the boys' and girls' schools.

Kamehameha Schools which have lagged far behind in so far as accommodating Hawaiians and part-Hawaiian students seeking admission does not provide free education. It is maintained from income of the Bishop Estate, which has a land area the size of Oahu, or about 9 per cent of the land area of the Territory.

The schools charge from \$50-\$60 for day students and from \$117-\$127 for boarding students for the school year. Boys pay \$10 more for rental of dress uniform.

These figures and those below were taken from the report of Col. Harold W. Kent, president of the schools, for the 1952 school year.

## Book Rental, Other Fees

A breakdown shows that in the preparatory school (kindergarten through sixth grade) students are charged \$45 general fee, \$3 health fee and \$2.50 book rental, a total of \$50.50. An additional charge for supplies ranges from \$2.50 for kindergarten students to \$5.50 for fifth and sixth grades.

In the boys' and girls' school, the charges are: \$35 general fee, \$2 school newspaper, \$2 membership fee for Kamehameha Activities Assn., \$3.50 book rental. For boys an extra \$10 is charged for dress uniform rental. This makes a total of \$62.50 a year. The boarding students pay an additional \$65.

For the school year ending June 30, 1952, the schools listed income at \$177,190.35. They were from student fees and activities, such as: tuition, \$63,124.30; industrial and agricultural income, \$40,140.46; rentals, \$18,386.83; preparatory department, \$16,224; board, \$14,736.84; medical and dental fees, \$11,032.60; pupils' store, \$10,242.75; music, \$2,198; miscellaneous, \$1,104.57.

The balance to cover the cost of operating the schools, \$1,008,456.80, was derived from the Bishop Estate.

## Land Leasing Policy

The Bishop Estate which generally leases land for agriculture, pasturing and homesites is being criticized in many quarters for not providing a better and more extensive educational system at Kamehameha Schools. Many criticize its trustees for the estate's policy of leasing land and letting thousands of areas of valuable land remain idle. Criticism is also directed at the low taxes the estate pays for its idle and non-leased land.

Bills in the present legislature which are intended to force the sale of land owned by estates are said in some quarters a healthy move, not only in making fee simple purchase possible by homeowners and farmers, but in bringing in more income to the estate to better educational facilities at Kamehameha Schools.

Some critics say that with all the assets Bishop Estate has, even the construction of adequate school buildings has lagged behind. During the past couple of years contracts were let out for construction of additional buildings. Construction of the "new" school was begun in the late 20s.

Apparently to counter the move in the legislature to force the sale of lands leased by tenants, the estate is now publicizing a possible extension into the junior college field. Real estate men, tenants interested in buying the estate's land fee simple and others including politicians say that the estate could derive more income by selling some of its land and investing the money in other enterprises.

## What The Will Says

The will of Bernice Pauahi Bishop says regarding this and about providing higher education, thus: "I desire my trustees to provide first and chiefly a good education in the common English branches, and also instruction in morals and in such useful knowledge as may tend to make good and industrious men and women; and I desire instruction in the higher branches to be subsidiary to the foregoing objects. For the purpose aforesaid, I grant unto my said trustees full

power to lease or sell any portion of my real estate, and to reinvest the proceeds and the balance of my estate in real estate, or in such other manner as to my said trustees may seem best."

The will also provides for the trustees "to devote a portion of each year's income to the support and education of orphans, and others in indigent circumstances, giving the preference to Hawaiians of pure or part aboriginal blood." The will does not say that the schools shall be for Hawaiians and part-Hawaiians. It gives the authority to trustees to establish regulations.

It says, "I also direct that my said trustee shall have power . . . to determine if tuition shall be charged in any case."

## Few Students

Because of the limited number of students in the schools, it is said by observers that the publicity about a junior college is premature.

## Growth in 40's

As late as 1943, the student body had 324 pupils. Every year a large number applied for entrance but most of them were rejected.

Application to fill vacancies shot up from the 1940-41 school year when 1,014 applied for entrance when the student enrollment for that year for the boys' and girls' schools totaled only 386.

From 1944 the student body grew with the addition of the preparatory school (through grade 6). That year enrollment was 687, including 315 in the preparatory school. But the number of application went up also, with 800 boys

and 626 girls applying, making a total of 1,429. A great majority was rejected.

In 1947, the student body grew to 926 and applicants for openings increased to 1,502. In 1952, 1,402 applied from all islands and like every year, a small number was accepted. That year 230 were accepted and 1,172 were rejected. The entire student enrollment in the Kamehameha Schools numbered 1,237, about 65 more than those rejected.

Breakdown by islands of the

1952 applicants is as follows:

Lanai and Molokai—77 applied, 8 accepted, 69 rejected.  
Kauai—68 applied, 14 accepted, 54 rejected.  
Maui—78 applied, 14 accepted, 64 rejected.  
Hawaii—141 applied, 22 accepted, 119 rejected.  
Rural Oahu—364 applied, 34 accepted, 330 rejected.  
Honolulu—674 applied, 536 rejected, 138 accepted.  
The number of boys who applied was 771 and girls, 631.

## SAM KING'S GAG

(from page 1)

orders were to ask for no more than Sam King had sought for them. So what was the use of going into detail?

Another department head is reported to have made the mistake of submitting the figures for his outfit's needs, all in accord with Sam King's figures—and then appended a list of items under the heading "deleted by the governor." Some good old-fashioned snorting is reported to have been heard on the second floor of the Palace after that one.

The dailies have reported King Sam's gag rule for department heads, but they've just barely reported it, and they haven't seen fit to editorialize.

What does King's gag rule mean? It certainly doesn't mean that the departments don't need money. Entirely apart from demands of teachers for increases in salaries, DPI staff and facilities have long been pressed to the utmost by the growing problem of educating Hawaii's youth.

And why should Gov. King brush aside the salary demands of the teachers?

The department of labor has long attempted to police the Territory's many contractors with a small staff. There are those who say the Wilson Tunnel disaster would never have occurred if the Territory had more than one industrial safety engineer. And the Wilson Tunnel disaster was far from being the only life-taking industrial accident in the Territory. It was only the most spectacular.

Sam King tried to get around that one without raising his budget. He provided for six safety industrial engineers—but took the difference from the wage-hour division.

Yet a new hike in the minimum wage is almost certain, and the wage-hour division will need all its staff to enforce the new increase. Does it make sense to weaken that branch of enforcement just when it's going to be needed? Perhaps it does make sense if you don't care whether or not working people of the Territory get an increased minimum wage.

In the broader aspect, the governor's gag rule signifies a much more callous attitude toward the people. If his objective is to keep the legislature from increasing taxes, then the governor is telling department heads that, no matter what they think, they should not give more and wider service to the people.

If Governor King's motive is to confine the Democrats to his own budget—then give the Republicans fodder two years hence to complain that the Democrats didn't appropriate enough for service—he is playing dangerous political games with the welfare of the people.

Certainly, from what department heads have told legislators privately, the gag rule has the effect of obstructing the legislature in its effort to discover the truth about the territorial government's economy.

In any event, the gag rule is the most recent prime example of Governor Sam King's small caliber thinking.

## Case From Labor Dept. To Be Aired

(from page 1)

was a budgetary cut, but actually we were terminated through personal prejudice and not given an opportunity for other types of employment commensurate with our abilities."

Since at least two of the three have secured other jobs, the writer presumably means they were not given an opportunity to transfer into other jobs in the labor department.

## Terminated Without Notice

The writer also charges that Peterson terminated the employment of the three in a most unusual manner, failing to give 10 days notice of termination, or to allow them pay for the period. An appeal to civil service was required, says the writer, to get the money due.

He also charges that Brockway's report was biased and not based on experience so much as on the views of departmental superiors.

The writer has also submitted copies of Brockway's report, which are also in the hands of some legislators.

Couching his criticism in strong terms, Brockway, who is stationed in California, charged in the report, dated March 12, 1954, that "There is abundant evidence that the field supervisory unit has not only failed to use staff services, but has actually thwarted the carrying out of a farm placement service, priority service to returning veterans, and technical local office training, particularly in the field of unemployment insurance."

On Mattos' work, Brockway wrote that Mattos "has been so managed or supervised by his superior as to be an antagonist of the functional authority and res-

pensibility of the Unemployment Insurance Director."

Ikeda, according to Brockway's report, "has amply demonstrated his inability to distinguish between staff and line organizational responsibilities and relationships. His role, and the respect it is accorded by performance level and agency staff people otherwise, is very much akin to that of a 'first sergeant.'"

Interestingly, Ralph Ikeda served as a first sergeant in World War II.

But despite the military connotation given by Brockway, he also charged that Ikeda was "not only insubordinate to any agency authority, but considered his concept of specific programs quite superior to those of others who have conceived such programs nationally and in the public interest."

Brockway believes that the farm placement program is "a case in point."

These strong criticisms seem at variance, however, with excellent letters of recommendation given all three employees, says the writer, by superiors Howard Wiig and Leigh Stevens.

By contrast, Brockway wrote very favorably of Wiig, bureau administrator, Stevens, employment service director, F. Torres, unemployment insurance director, and M. Stevens, chief of staff.

The view intimated by the former employee, and somewhat believed among staff members at the labor department, is that personality conflicts between Dabagh and others outside his division, had much to do with the action.

If present plans are carried out without a hitch, both sides of the picture will be shown the legislators.

# Gadabout

**BRYAN RENWICK**, who resigned his position as executive vice president of the Honolulu Chamber of Commerce, was a Canadian citizen all the time, you may have noticed, and is now going back where he came from. He got aloha from both big dailies and, for all we know, thoroughly deserved same.

But we seem to remember editorials in one daily a year or so ago deprecating the fact that one of the labor unions here was led by an alien, Art Rutledge (whom the Star-Bulletin consistently called Avrom Rotleider).

Now why do you suppose no one wrote an editorial asking why Alien Renwick should hold such an important position in the chamber of commerce?

Of course, the story reporting Renwick's Canadian citizenship also said the chamber executive "always wanted to be an American." Well, so did Art Rutledge. He wanted to be one so badly he ran for public office and tried to win seat in the legislature.

★ ★

**HARVEY MATUSOW'S** book, "False witness," has set off explosions aplenty in Washington and elsewhere, since he writes that much of the testimony convicting accused persons in Smith Act trials and elsewhere was merely his own invention—and that he only wanted to get into the act. Matusow also says he was coached by officials of the U. S. department of justice and by Attorney Roy Cohn, later an assistant to Sen. Joe McCarthy. Matusow seems to have set off a chain reaction, too, since others have come forward to say they, too, told lies under pressure of their coaches.

Wouldn't it be interesting if there were a local version of the Matusow act, with a book all ready to be published under the title of "The Constitution Be Damned!"

It's a little hard to see how the prosecution, after promising stool-pigeons of this sort immunity, can then turn around and prosecute them for perjury on the very same testimony on which they were given the original promise. And you'll notice the department is saying now Matusow can't be prosecuted because there are no corroborating witnesses to his perjury. Doesn't sound as if they're pushing very hard.

★ ★

**TITLES** of pocket books and their covers get more and more misleading. "Dark Plunder," by

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Victor Rosen, for instance, looks for all the world like a novel. It's really a well written, slightly scholarly study of the gangster of the 30's, Vincent (Mad Dog) Coli.

★ ★

**WHEN TA CHEN** island was evacuated by Chiang Kai-shek, assisted by the U. S. Navy, American press services carried the story of the last woman off the island—a woman pirate named Hwang Ba-mei, as you may remember. The story said she was a former sea coast pirate who had stuck with Chiang and gone to Formosa with him. The story said that her husband had been a pirate and after his death she took over his business.

We wouldn't deny that, but we can't keep from wondering which husband? A RECORD staff member became acquainted with Hwang Ba-mei in Shanghai at the end of World War II, and his impressions were printed in a narticle in these pages a couple of years ago.

The lady was also known as "Two Gun Molly," and she's come up in the world since then. Although she rated a captain in Chiang Kai-shek's army, the Kuomintang wouldn't allow her name to be used in stories. There were speculations about that, for she had been signed to help bring back American fliers in exchange for arms and ammunition from the Americans. She'd never brought any back, but no one could prove any had ever landed in her area. And her tales of her exploits and those of a special troop of girl-bandits—she'd organized—polite little girls who carried mauser pistols, wore men's uniforms, and tucked their long hair up under the sides—made colorful reading.

But "Two Gun Molly's" detractors claimed she'd collaborated with the Japanese earlier and that was why Chiang's censors were so self-conscious about her. They also claimed she'd had a number of husbands—most of whom she'd executed personally when she got tired of them.

Of course, those could be merely wild tales, and in any event, she's come up in the world. Once her picture was used in a story on Formosa published in Colliers's along with an article of how Chiang raids the mainland of China. Since Chiang Kai-shek's censors seem to feel she's good copy nowadays, one can only reason that she's way up over her social status of 1945—or that of Chiang and his remaining adherents on Formosa is much lower, that they feel it's a boost that a woman pirate should have thrown in with them.

★ ★

**MANUEL (KAHUKU) RODRIGUES**, deceased some years ago, is still remembered as one of the strongest men around these parts in his day. Tales of his feats are many, both as a civilian and in the years he served as a policeman, but probably the best remembered had to do with speed instead of strength.

Back when the downtown speed limit was 20 miles per hour, so the story goes, Officer Rodrigues pinched a motorist for speeding. The motorist said he wasn't speeding and fought the case.

So Rodrigues, called to the witness stand, was asked to explain how he knew the car was speeding. After all, he was a foot patrolman. "I ran alongside and looked," was the strong man's reply.

The judge dismissed the case.

★ ★

**AN INTREPID MAUI WOMAN** is the subject of another story,



**15-CENT STAMP**—Here is a reproduction of the new 15 cents stamp designed for the contemplated "certified mail" service. It would be used on first class mail for which no indemnity value is claimed, but proof of mailing and delivery would be available to users at reduced cost as compared to registered mail.

(Federated Pictures)

not new from standpoint of time, but certainly worth retelling. Awaking one morning to hear a great ruckus in her chicken coop, this woman investigated to find four dogs had dug their way in from underneath and were slaughtering the poultry.

She armed herself with a baseball bat, stationed her son outside to hold the door and entered to do battle. As she whaled away, the dogs apparently understood the seriousness of the situation and ganged-up on her. But she had killed two and was going after the two survivors when the door opened mysteriously and they escaped.

The woman emerged, angrily asking her son what had happened, and he explained, the whole thing had been too strong for his stomach and he'd got to feeling sorry for the dogs.

★ ★

**SOMEHOW** it reminds us of an old neighbor of ours back in West Virginia, Billy Powell, who was known far and wide as a scrapper—with fists, or any other way. Late in life, Billy was working in the fields when a bull charged him from behind, knocked him down and set about goring him. A short, compactly built man, Billy hooked one of his short, ancient, but still powerful arms over the bull's horns, fished his Boy Scout pocket knife from somewhere, opened it and started sawing on the bull's throat. It took some minutes, but he finally severed the jugular vein—and became the number one matador of Gilmer County.

★ ★

**AND BILLY POWELL** somehow reminds us of an old man we heard of in Texas, a veteran of the Confederate Army in the Civil War (or the War Between the States if you came from down there) who was known as a man of determination.

Once he said, "I'm a level hundred years old and I've never set out to do anything that I didn't finish. Of course, I haven't whipped the yankees, but then I'm not dead yet, either."

So far as we know, he passed on to where woodbine twinneth without ever achieving that particular ambition.

★ ★

**IF ALL THAT** seems somewhat apropos of nothing, remember the title of this column is GADABOUT.

## Sports World

By Wilfred Oka



### SPORTS TIDBITS FROM HERE AND THERE

The big news in swimming last week was the sensational performance of Jack Wardrop of the University of Michigan in his 220 yards freestyle race against Ford Konno of Ohio State in what was the top dual meet of the week. Wardrop set a new world record by churning the distance in the time of 2:03.9. The old record was Ford Konno's 2:04.7 established last year. Although Konno won the 440 yards event in 4:36.2 and Yoshi Oyakawa won the 200 yards backstroke in 2:18.1 with Al Wiggins, also of Ohio State, copping the 150 yards individual medley in the fast time of 1:25.2, Michigan won the dual meet by the score of 47-46.

Because of the performance of Jack Wardrop and the depth in all the events Michigan is favored to win the Big Ten title but the National Collegiate may be another story with the other teams "chiseling" points. The diving power which has been centered at Ohio State may be one of the factors which may help Ohio State retain the National Collegiate title.

★ ★

**TV BOXING**, the amateur variety, goes on every Friday night over one of our local stations. The programs have been just so-so. However this Friday night fans will get a chance to see a match that should perk up more than an average interest. This is the Paul Okudara-Cyril Okamoto match. Okudara is Hawaii Youth's tough rookie whose style reminds us of Philip Kim when he started in the amateurs, while Okamoto is the classy boxer whose main weakness is his jaw. The smaller ring at the TV stations may help Okudara who likes to crowd his opponent while Okamoto likes it to be big and wide to utilize his speed and footwork.

★ ★

**ONE OF THE MOST** far reaching policies established by our House members was the elimination of the House chaplain as an officer of the staff and the rotation of his former functions among representatives of various denominations and religious groups. House Leader Dan Inouye who is a Methodist strongly felt that the other religious groups which are represented in the Territory should be invited to offer prayer in the House. This feeling has been well received by other House members and by the general public and is a step in the right direction for the moulding of religious tolerance throughout the United States.

★ ★

**THE TBC LOOKED-OVER** the Francis Milante-Joe Benson main event as proposed by Sad Sam Ichinose and Ralph Yempuku for the March 8 date and turned it down because of their information that Benson is right now on the unavailable list of the California State Commission. Benson incurred injuries in his last fight. Boxing Enterprises then came out with a main event over 10 rounds of Milante against Johnny Ortega whose claim to fame was the recent "California and American flyweight championship" match he had against Keeny Teran which he lost to the one time "bad boy" of the California rings.

The BE preliminaries doesn't look so hot on paper, what with such matches as Dee Cosmo versus Bobby Acosta; Hal Mara pitted against Felix Aciro; Sam Wailani bumping with Linford Chung; Al Palpalatoc in a duet with Ernie Sylva. The fans will most likely stay away from this one but the BE group wanted to make the March 8 date so there you have it. Incidentally, our commissioners acted very wisely when they recommended an eight round match for the main event because of the immaturity of Milante to go the 10 rounds. We heartily endorse the action of the commission on this eight round business. We feel that there will be faster and more action over eight rounds than the longer 10 rounds. Bethel Street habitues say that Milante is expected to win over Ortega because of the weight difference and the harder punches of Milante. The other factor in Milante's favor is that he is getting the "build-up" and is valuable property for the BE promotions.

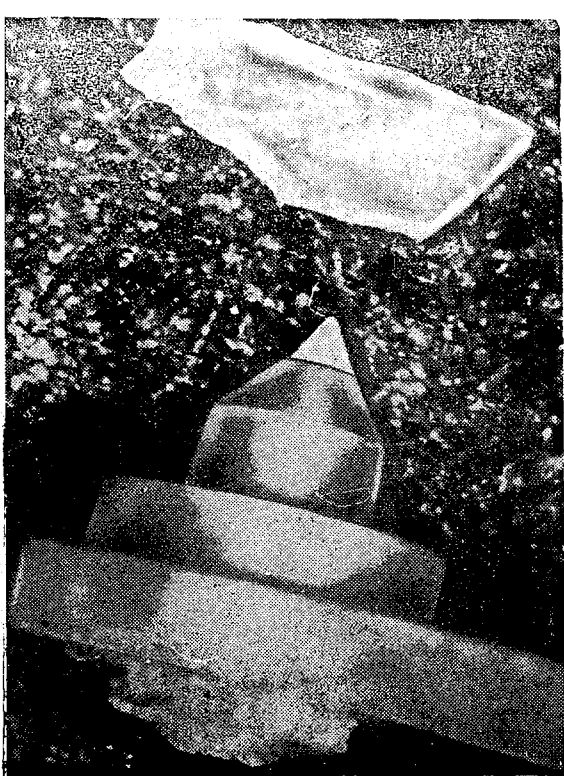
★ ★

**THE STORY THAT HAS BEEN** withheld by our local press is the real story behind the recent postponement of the Henry Davis-Stan Harrington main event. In the past year it was a well known fact that Henry Davis was washed up and that his losses to fighters, who needed their records to be fattened, were almost too regular a routine, much like that of Babe Herman.

How much Davis has gone down was very evident in his last appearance here against the aging Frankie Fernandez who right now is anything but speedy. The "excuse" that our praise agents gave out for Boxing Enterprises was that Stan Harrington had injured his hand again in training but the real story available through the California State Commission is that Henry Davis had reached the end of the trail and the next step is punch drunk row. The agents that Sad Sam and Yempuku have on the Mainland screen fighters on their relative ability in comparison with whomever they want to build up. Davis is on the shelf right now and the commission will do well to check with various state commissions to find out about fighters being imported for our local fighters.

★ ★

There are two outstanding fighters in the service championships. We are particularly impressed with Herman Mosqueda and Jimmy Thornton, who have the makings for the pro game.



**GE PRODUCES REAL DIAMOND**—The largest man-made diamond yet produced is contrasted above with a standard diamond phonograph needle (top) as the General Electric Co. announces a revolutionary new process. Pressures greater than 1,500,000 pounds per square inch and temperatures above 5,000 degrees Fahrenheit were achieved at the research laboratories in Schenectady, N.Y., to produce small clusters of diamonds. Although not yet of gem quality, some of the diamonds have reached as much as a tenth of a carat. (Federated Pictures)

## 2 Big Banks Monopolize Deposits; Control Greater Than In Small States

(from page 1)

The percentage held of total deposits was 92.7 and 7.3 per cent respectively.

In 1954, Bishop Bank and Bank of Hawaii held 90.7 of the deposits, or \$387,645,502, while Liberty, American Security and Central Pacific Banks held 9.3 per cent or \$37,763,857.

### Keep Out "Foreign" Banks

The two big banks which primarily serve Big Five enterprises monopolize finance business on the other islands. They are tied in with plantation business through interlocking directorates and small and medium businesses complain that it is difficult for them to get financing from the banks.

On the other hand the banks, through a law, have kept out mainland banks from establishing branches here. Mainland banks are termed "foreign" banks in legislation which in past sessions of the legislature smaller business men have tried to have repealed.

Mainland money has begun to funnel into Hawaii through the smaller banks and finance companies. This money is being made available especially on Oahu but it is currently reported in financial circles that this money will be made available to outer islands. Should this happen in substantial amounts, it is said that the economic hold the two banks exercise on the other islands will be weakened.

### What Figures Show

The monopoly of the big banks has kept diversification of the use of capital and the growth of smaller industries. Further, the employment of banking, brains has been severely restricted to Big Five promotions.

The "squeeze play" as some financial people term activities and control of the big banks, are evident by a study of Polk's banking records for 1953.

Comparative bank data for

states with small populations shows that Hawaii has few banks in comparison with them.

- The Territory with 499,705 people (1950 census figures) on June 30, 1953 had four banks and five trust companies. The banks had 43 branches. Total deposits came to \$396,629,174.

- Idaho with 588,637 people had 38 banks and trusts, 65 branches, and total deposits of \$480,373,614.

- Montana with 591,024, people had 109 banks and trusts, 1 branch, and total deposits of \$599,069,460.
- Nevada with 160,083 people had 8 banks and trusts, 21 branches, and deposits of \$228,972,400.

- New Hampshire with 533,242 people had 110 banks and trusts, 2 branches, and deposits of \$615,505,521.

- New Mexico with 681,187 people had 51 banks and trusts and 21 branches, with deposits of \$424,732,228.

- North Dakota with 619,636 people had 153 banks and trusts and 23 branches, with deposits of \$578,184,998.

- South Dakota had 652,740 people, 169 banks and trusts with 50 branches, and total deposits of \$511,566,200.

- Utah had 688,862 people, 54 banks and trusts with 33 branches, and deposits of \$672,082,351.

- Vermont with 377,747 people had 74 banks and trusts, 19 branches and \$374,292,132 in deposits.

- Wyoming with 290,529 had 53 banks, no branches and deposits of \$285,780,528.

- Nevada which has one third the population of Hawaii is the only state named above with one finance establishment less than Hawaii. All others have far more financial houses than there are in Hawaii, showing decentralization rather than monopoly as in the Territory. The major trusts here are tied up with the big banks.

## Filipinos Taxed for U. S. Wages in Ilocos Sur; Papaikou Worker to Start Protest to Magsaysay

(from page 1)

clearance certificate is required for leaving the Philippines.

### Said Paid U. S.

As far as Saldua was able to learn, this certificate can be obtained anywhere in the Philippines for 6.50 pesos, except in Ilocos Sur. Applying at Vigan for clearance, he was asked to file an estimate of his earnings for his eight years' residence in Hawaii. On this amount, the head of the office, Mercado, told him that he owed between 400 and 500 pesos (\$200-\$250) in income taxes.

When Saldua objected to being "skinned twice," having already paid his income taxes to the American government, Mercado obligingly scaled down his taxes to 160 pesos, or 20 pesos (\$10) for each year. This represented penalty for late filing of income tax.

Having learned that a tax clearance could be obtained in Manila for 6.50 pesos, Saldua went there, only to find that Mercado's office had wired that Manila was not to issue a clearance to him.

Returning to Vigan, Saldua went again to the tax office accompanied by his brother-in-law, and protested vigorously against having to pay the tax.

"Not Mules or Carabaos"

"We Filipinos who live abroad

have already contributed to the welfare of our native land. After paying our income taxes in America we send back money to support our families and assist our relatives. When we return on a visit, our money goes to our families, and we are broke when we are ready to leave. We are not mules or carabaos, to be skinned twice. What are we to do if we have no money left, not having been notified in advance that we must pay income taxes here—how are we to leave the Philippines?"

He was told that in that case he could offer part payment and leave the rest of the taxes to be paid by a guarantor, whose property would be liable to attachment in case of default of payment. This meant that if the tax office decided to collect the full amount, Saldua's guarantor was liable for the remainder of the 400-500 pesos.

Saldua continued to protest so vigorously that his companion took alarm, since the tax office staff all carried sidearms at work.

"If that is the way Philippines citizens are to be treated when they return, it would be better for us to renounce our citizenship and become American citizens. Then when we came home on visit we would not be subject to such exactions. I am an officer of a union

with thousands of Filipino members, and when I go back to Hawaii I will warn my fellow countrymen of the treatment they receive here, having to pay income tax twice after supporting their dependents in the Philippines."

Mercado, with his eye on the 160 pesos, answered smoothly, "Oh, how can you, a Filipino, talk that way?"

### To Petition P. I. Gov't

Saldua then paid his 160 pesos tax but insisted upon getting an official receipt. Most returns, he learned, did not ask for a receipt, and the Vigan office issued no receipts unless requested—thus leaving the staff free to pocket the taxes paid in without official record.

Saldua was so incensed that upon his return to Hawaii he brought the matter to the attention of the ILWU office in Hilo and the Rev. Emilio C. Yadao, and has prepared a petition to Pres. Ramon Magsaysay, which he has in mind circulating among Filipinos in Hawaii. The petition asks that: 1—the P. I. government stop collection of the income tax from returns, 2—if possible, return the tax money already collected, 3—look after the welfare of the Filipino laborers in Hawaii instead of taxing them.

## P. I. Consulate to Ask Republic to Tax Exempt Filipinos Here

(from page 1)

ment, he said. They must do so if their earnings are over 1,800 pesos (\$900 U.S.). If they are doing so, they need not pay taxes at all, since taxes paid in the U. S. and the Territory are deductible, the vice consul explained. For example, many pay tax in the U. S. at the rate of 10-15 per cent of their income, plus territorial tax, and since Philippines tax is 12 per cent, the deduction makes it unnecessary to pay taxes to the Philippines.

But those who have not filed income statements with the Philippines government run into difficulties, Mr. Tabora said. The amount charged them will be forfeiture for non-declaration. Further, he said, nationals visiting the Philippines must pay, according to law, "compromise penalty" before they are allowed to leave there, in the same manner as U. S. residents are required to have tax clearance before they are permitted to travel abroad.

Mr. Tabora said he was informed in the past that a Filipino national from Hawaii visiting his native Baguio was told to pay his taxes for income earned in the

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## Attorney Hits FHA For Spreading Race Discrimination Through U. S. Till '49

### Few Homes For Negroes

"The evil of government sanction and support of segregation in public housing was compounded a thousand times over by the policy established by the FHA in 1934. For 15 years, from 1934 to 1949, FHA openly encouraged racial covenants. In its earlier years it furnished a model covenant for builders and blandly refused to insure loans where a Negro sought to build outside of what it determined was the 'Negro neighborhood.'"

The excerpt is from an address given by Loren Miller, Los Angeles attorney, at the annual conference of the Urban League last fall at Pittsburgh. Under the title of "Housing: The Frontier of Equal Right," it was reprinted in the Dec-Jan. issue of the Oregon Democrat, which calls the speech one of 1954's "most significant public addresses."

Describing further the role of an outstanding government agency in perpetuating discrimination against certain Americans, Attorney Miller says:

"FHA spread race restrictive covenants from one end of this nation to the other—in the name of sound business practices! More than that, worse than that, FHA policy encouraged and cultivated the belief that government support of residential segregation was morally defensible and consistent with the democratic way of life. Its old manual declared that a neighborhood should be 'evaluated as less stable and desirable' if the 'children of people' residing there are 'compelled to attend school where the majority or a goodly number of pupils represent . . . an incompatible racial element.'"

In 1949, FHA policy changed for the better, but there is still much to be desired, Miller told the Urban League. The new regulations simply refuse FHA insurance to projects on land where no race restriction has been recorded after Feb. 15, 1950 and that none will be recorded during the life of the loan.

### Bars Still Exist

"Discrimination in sales or rentals are not proscribed," says Miller. "Such discrimination has continued—as you well know—Negro veterans have been denied, and are still being denied, the preferences proscribed by law."

Tracing the background of segregation since the Civil War, Miller said, "the cityward migration of the Negro began after the tragedy of the Reconstruction had fixed his social status as that of an inferior."

The "separate-but-equal doctrine" was formalized in 1896, says Miller, and not until 1915 did the first race restriction case reach a state court of last resort, "and for three long decades, from 1915 to 1948, every state supreme court—19 of them—which considered the question held that such agreements were enforceable by the courts."

The U. S. Supreme Court, "in effect, made the same determination in 1926," Miller says. But in 1948 the same court outlawed restrictive covenants and the tide has turned since then both in the courts and in social institutions.

## Demos Dignify the People

Numerous proposed measures introduced by Democratic majority do honor to the people of Hawaii.

The principle of home rule advocated by them shows they are for government by consent of the governed, with people having direct say in their affairs rather than having the governor, a political appointee of Washington, appointing commissioners to run branches of county government.

This principle which dignifies local residents is seen in other Democratic bills. For example, HB 560 requires at least three of the University of Hawaii regents be graduates of the university. HB 561 requires that at least four of the eight commissioners of public instruction be graduates of public elementary and secondary schools in the Territory.

Finally, the people of Hawaii are getting to have more say in their affairs. If the Democrats progressively bring this to reality, and the people will appreciate this, the Democrats who came to power for the first time in 54 years will continue to have popular support.

## Why Exempt Basic Industries?

Hawaii's major industries are sugar and pineapple. Their employees are not covered by unemployment compensation.

When these workers lose their jobs they have no financial cushion in the form of unemployment pay, thin as it is.

During the past 20 years employment in the sugar industry fell, mainly through mechanization, from 55,000 to about 18,000.

Only last year, through determined negotiation of their union, the workers won provisions for separation pay. But this is different from unemployment compensation which other workers are entitled to for a period after temporary or permanent layoff.

The Advertiser, mouthing for the big employers, came out editorially this week against proposed legislative measures providing for unemployment pay for plantation workers.

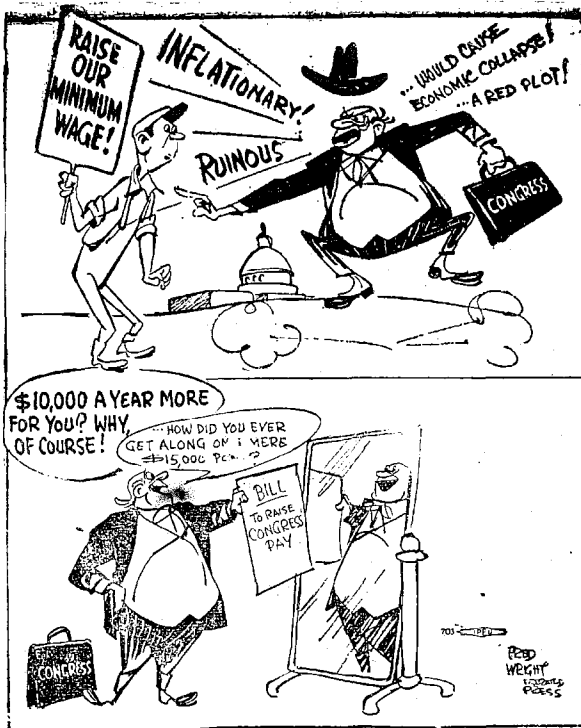
It argues that unemployment insurance is financed by a tax on employers and it would put the plantations at a disadvantage in competing with Mainland agricultural industries.

Hawaii's plantations are actually factories in the fields and when advantageous, the Big Five that control them have boasted of their modern industrial setup.

The plantations are to Hawaii as oil, coal, steel, auto and aircraft industries are to industrial areas on the Mainland.

For the benefit of thousands of workers in Hawaii's basic industries, unemployment compensation should be extended to plantation workers. There is no reason why Hawaii's big industries should be exempt when small establishments pay toward the workers' unemployment insurance.

Unemployment insurance is not only a cushion for industrial workers but also for small and medium businesses in particular, which depend on workers' trade. Contrary to what the Advertiser says, unemployment insurance for employees in the basic industries will buttress Hawaii's economy.



## Integration At Schofield Successful

When the Army ordered its Negro and white troops to live together, to eat together, and to work together, not only were there no fights, but in the one instance where an attitude study was made, a marked decline of prejudice was proved. . . .

Another unusual example of racial integration in the Army existed at Schofield Barracks, Hawaii, where the Commanding General in the post-war years 1945 to 1947 decided to eliminate racial segregation and discrimination. The camp had a sizeable proportion of Negroes as well as different kinds of Orientals and whites, and it included civilian workers as well as servicemen. There was separation by rank but not by race. Both among soldiers and among civilians there was absolutely no racial segregation in housing, recreation or work. Civilians were informed of the post's rules when they arrived and they were obliged to sign a statement that they had been so informed. The general played no racial favorites in making appointments and had Negroes on his staff. The effort to carry out this general's racially-equalitarian point of view seems to have been completely successful and to have had happy results.

Arnold M. Rose, in *Common Ground*, Spring, 1949

## Dillingham Wants His Happy Condition

"My belief is—contrary to the statements made by these labor leaders—my belief is that they want to gain the economic, political, and social control of these islands and can accomplish it by disrupting the happy conditions which have prevailed here since the beginning of the development of our industry."

—WALTER F. DILLINGHAM, business executive

at Wimberly-Cordon Statehood Hearing

"Mr. DILLINGHAM. . . . In my limited appearances, in talking in Washington to Senators and Congressmen, their chairmen of committees and so on, I have never run up against an attitude that Hawaii should not have what was good for Hawaii to have, and the fact that we haven't any vote is reason why special consideration or equal consideration should be given to any case that is presented there representing the needs of this Territory."

"SENATOR GORDON. Isn't that the stock answer of a benevolent tyranny always?"

★ ★

## Fur Union Merges With AFL Meatcutters

NEW YORK—(RP)—The 75,000-member Intl. Fur & Leather Workers Union has officially become part of the American Federation of Labor, through action of its members voting overwhelming approval of merger with the Amalgamated Meatcutters & Butcher Workmen.

Referendum balloting by IFLWU members was the final action sealing the merger, already approved by the Meatcutters and by fur union officials and convention delegates.

Under the terms of the merger agreement, the IFLWU now becomes the fur and leather department of the combined union.

The IFLWU, which was formed in 1939, was one of a group of unions expelled from the CIO in 1949 for alleged communist domination. At its recent midwinter executive board meeting, the AFL voiced disapproval of the merger and threatened possible expulsion if the Meatcutters went through with the plan.

Kula, Maui, was once called the "wheat field" of the Pacific. Many years ago flour from Hawaii was shipped to California. A flour mill was located at the foot of Fort Street and at Waioluhia, Kau. There was a dust explosion at the Fort Street mill.

## Frank-ly Speaking

BY FRANK MARSHALL DAVIS

## Crack Up The Estates

One of the best acts the present legislature could perform is to pass legislation aimed at breaking up the big estates. These monster land misers operate a kind of legalized feudalism in the atomic age.

There is no doubt that this concentration of land in the hands of a few persons is a major contributing factor toward the excessively high cost of living in a land where wages are comparatively low.

When I first came to Hawaii more than six years ago, I was astounded at the atrociously high prices of most necessities. By now I have tended to grow accustomed to this condition and seldom think of it except when I come across a newspaper from some city on the Mainland.



MR DAVIS

The excuse given for high prices is the cost of freight since most of what Hawaii uses must be imported. Yet a Territory with a climate that permits year-round gardening is potentially able to supply a far larger portion of its food needs than is now the case.

The reasons we must depend to such a large extent upon the Mainland for foodstuffs is lack of small farms. This scarcity is caused by the policies of the land misers who years ago grabbed the best and most productive soil. Only fragmentary portions have been released for small independent farms.

## Good Land Lay Idle

There are many acres on Oahu that are potentially good farm land. Some are classed as "pasture land." Others need irrigation facilities. Many potentially rich farming plots are inaccessible. An exhaustive survey would show that roads could be built and water channeled to areas which now produce nothing worthwhile. As for water, millions of gallons waste daily into the ocean from Kahana Valley, wettest spot on Oahu. While some water is piped out of Kahana Valley, the available supply is immensely greater.

On Molokai the picture is much clearer. A well known civil engineer spent several months surveying that island prior to World War II in an effort to learn the water potential. He found that hundreds of millions of gallons go to waste. If brought to the dry areas by irrigation facilities, there is enough water to turn thousands of acres of barren Molokai land into rich and lush farms producing enough foodstuffs to support the entire Territory. In his report, the engineer turned in the estimated cost of such an irrigation project at that time of less than \$10,000,000. No action has ever been taken and, indeed, few even know about the report.

Obviously, such exploitation of Hawaii's natural resources would not be to the best interests of the big estates. If Hawaii were more nearly self sufficient in the matter of necessities, the Matson Lines would suffer since we would no longer need to lean so heavily upon ocean freight. It is to the best interests of Matson not to permit Hawaii to become too independent. So the big estates have done what they could to block sizeable independent agricultural development. And food costs remain high.

## Evils of Leasehold

This also keeps up rent, another big factor in the high cost of living. Many of the choicest home sites are owned by the land misers. It is difficult to obtain a good fee simple home location. Those who lease are at the mercy of the estates. Over a period of years, they pay many times the fair market value of the land they occupy—yet never own it. This, it seems to me, is a rotten system that needs to be broken.

Leaseholds also permit restricted housing areas in glaring violation of the spirit of the Supreme Court decision of seven years ago outlawing racial residential covenants. An estate may use many tricks to avoid leasing to a non-haole that could not be gotten away with in a direct fee simple sale.

I strongly approve of the proposal to tax estate holdings on the basis of the market value placed on them by the estate, rather than upon their use as "pasture land." In other words, if an estate says, for tax purposes, that an acre of pasture land has a value of only \$100, let it be marketed at that figure. But if the estate asks \$20,000 for that same acre, let it pay taxes in proportion.

The big estates, under GOP rule in the Terri-

(more on page 4)