



CONSTRUCTION CONTINUES

Mic Fullerton and Charlie Taylor are at work putting up false-work in preparation for constructing the columns of one of the bridges being built for the new highway between La Grande and Pendleton. (Observer Photo)

Argentine Navy Men Threaten

BUENOS AIRES (UPI)—Argentine navy rear admirals and captains have threatened wholesale resignations unless President Arturo Frondizi fires Vice Adm. Adolfo Estvez as secretary of the navy, informed sources reported today.

The sources said 12 of the navy's 15 rear admirals had voiced the threats to retire, and captains with high commanding posts would follow them.

The afternoon newspaper Correo de la Tarde said Frondizi's refusal to ask for Estvez' resignation had created a "serious situation" in the navy.

The newspaper, edited by former naval Capt. Francisco Manrique, said Adm. Vicente Baroja, chief of the joint general staff, presented the main complaints to Frondizi at a meeting Tuesday night.

The newspaper said another officer at the meeting, Vice Adm. Alberto Bago, newly appointed chief of naval operations, told Frondizi bluntly they feared Communist pressure on the President to weaken the armed forces.

Jets Blamed For 'Blasts'

SALEM (UPI)—Blasts, variously estimated as from one to four, shook the Salem area Wednesday evening and swamped police and press switchboards. They were believed caused by jet planes breaking the sonic barrier.

Minor cracks in concrete and plaster were reported by residents.

No broken windows were caused, but residents in northeast Salem were sure some small cracks in plaster walls, driveways and sidewalks were caused.

Belgian Airline Pilot Says Red Plane Nearly Crashed Into Him

BRUSSELS, Belgium (UPI)—A Belgian Sabena airlines pilot said today that one of four Communist MIGs that forced his plane down in Hungary Wednesday nearly crashed into him.

The airliner, a DC6, was carrying 54 passengers from Athens to Vienna. The Communists let the plane continue after questioning the pilot on the ground.



SHOVELING—Tom Perzell is working the shovel for the construction crew on the highway west of La Grande. The new highway will probably not take many miles off the trip to Pendleton but should eliminate many dangerous curves according to the State Highway Department. (Observer Photo)

FALL OPENING TO BE HELD IN CONNECTION WITH FAIR

Frank Cook chairman of the Fall opening announced at the Retail Merchants luncheon yesterday noon that the annual event will be August 26 in conjunction with the Union County Fair.

Events slated for the program include a hay scramble for \$35, window decorating contest, parade and dance.

Committee chairman selected for the Fall opening by Loren Hughes, president of the RMA, are Cal Batrick, publicity; Bob Turner, dance; Bill Cummings, hay scramble; Bob Fallow, public address system; Web Hickman, ballot counting; Lee Reynolds,

kid's pet parade. Hughes announced also that John Groupe and Alan Keffer will be chairmen of the Christmas program.

Group said that they planned to use the Candy Lane theme again this year. He said that they found it necessary to purchase four more canes. Fourteen green cedar garlands are also on order.

It was also announced that the Centennial Wagon Train will be in La Grande, July 29. Several riding clubs plan to meet the train and escort it to town. It will be staying over night at Pioneer Park.

City Commission OK's Resolutions

The city commission approved the adopted resolutions 1712 and 1713 at the city commission meeting last night.

Resolution 1712 modifies sections 3, 6, and 7D of "Pay Plan" Resolution No. 1681, series 1958. This resolution was held over from last week's meeting pending study of the commission.

The second resolution, 1713, was adopted for the purpose of releasing certain property from lien of assessment in improvement district No. 3-15.

Part of the property in the district is being sold and in order to give clear title to the purchaser the present owner will pay the assessment in the amount of \$116.82 on the part of the property being sold.

Sec. Herter Suggests U.N. Help Police Berlin Truce

Tremendous Explosion Spoils The Launching Of Satellite Rocket

CAPE CANAVERAL, Fla. (UPI)—An Army Juno II rocket with an "all-purpose" scientific satellite exploded in a tremendous cloud of smoke and flame today in what was supposed to have been the most complex data-gathering trip into space yet undertaken.

On ignition, a huge puff of smoke erupted from the rocket.

Instead of lifting from the launching pad, the rocket was enveloped in a huge ball of fire. It was not known whether the rocket actually left the ground.

Several fragments of the 76-foot rocket could be seen around the launch site. The white smoke soon turned black and a tall smoke column rose into the air.

The Juno rocket was to have carried the Army's Explorer VI satellite toward space on a mission to bring back information ranging from the origin of weather to obstacles man will face in interplanetary travel.

Pieces of the flaming rocket landed only 50 yards from the blockhouse, but all military and civilian personnel inside were reported unharmed.

The explosion occurred at 10:38 a.m. p.d. An Air Force officer said the "cause of the malfunction will not be known until all data have been collected and analyzed."

A large corps of newsmen and high ranking military and civilian officials watched the rocket blow up, dashing hopes of sending a 91.5 pound "miniature laboratory" into orbit.

Defense Contracts Under Fire

WASHINGTON (UPI)—The Defense Department was under fire on two congressional fronts today.

One House armed services subcommittee was investigating charges that armed services enlisted men have to do "degrading" jobs as servants of officers.

And Rep. F. Edward Hebert (D-La.), chairman of another subcommittee, looking into defense contracts, charged that the Pentagon was trying to sidestep the problem.

Charles C. Finucane, assistant secretary of defense, told the manpower subcommittee that the use of enlisted men as officers' aides "is based on a definite need and on justifiable customs and traditions." He denied there is anything "demeaning or degrading" in the work, and said many GIs seek such jobs.

There have been complaints that enlisted men have been pressed into such jobs as baby-sitting and housework.

Hebert's subcommittee has been investigating charges that retired military officers and former government officials employed in defense industry have exerted influence on behalf of their employers. It also has been looking into alleged waste in the defense program.

Hebert said the Defense Department is trying to keep reports and records from the General Accounting Office, which oversees government spending. "If there is nothing wrong, why cover up?" he asked.

Funds Denied For Sewage Treatment

The State Sanitary Board has denied La Grande's request for federal funds for the construction of lagoon sewage treatment ponds—at least temporarily.

In a letter read to the commission last night, the Board said that tentative assignments of priorities have been made. The applications on file with the state agency total two and a half to three times the amount of funds expected to be made available.

Congress, according to the letter, has made no appropriations for the year as yet.

The anticipated funds, the letter continued, were not sufficient to include an allocation to La Grande. The letter also recommended that the city proceed with the proposed bond election on Oct. 2 so that if sufficient funds do become available for a federal grant the city will be able to proceed with construction without delay.

GENTLEMEN IN DIRE DISTRESS

ST. LOUIS, Mo. (UPI)—At least two gentlemen in the cast of "Gentlemen Prefer Blondes" at the Municipal Opera Wednesday night probably would have preferred to have been somewhere else.

In the first act, dancer Larry Merritt's pants split down the back when he did a bend-over. In the second act, dancer Robert Pageant's pants came loose while he was dancing with a partner.

Typhoon Ravages Formosa

United Press International Typhoon Billie drove thousands of persons from their homes on Formosa Wednesday night. In Southern Japan flood waters from drenching rains receded slowly, leaving 45 dead.

An air and sea search was launched for 43 crewmen of a Japanese ship which broke its anchor in 100-mile an hour winds and went aground off Ishigaki Island, northeast of Formosa.

The crew of the 3,692 ton Mansei Maru took to lifeboats. Searchers were hampered by high seas. Most of Taipei, Formosa's capital, was covered with water ranging from a few inches to rooftop level. A housing unit for an American military mission was evacuated with residents wading to safety in waist-deep water.

The U. S. Military Hospital near Taipei was evacuated and 42 of the more seriously ill were flown to Okinawa, some 800 miles away.

In the midst of the confusion of evacuation, an Army doctor delivered a daughter to Mrs. Irving W. Lind, Seattle, wife of a Navy chief boatswain's mate. She and the infant were reported in good condition.

The typhoon swung its hardest punch at Taipei, bringing 10 inches of water in 24 hours, then veered northwest to the China mainland.

In Kyushu, Japan's southern-most island, flood water from three days of drenching rains receded somewhat, but authorities kept disaster units on the alert in case Billie again veered east across the island.

School Board Appoints New Committees

At a regular monthly meeting of School Dist. 1, committees were appointed for the school year.

They are Ned Jones and Norma Noyes, finance; Forrest Masters and Charles A. Reynolds, transportation; Ned Jones and Forrest Masters, labor relations; Ned Jones and Charles A. Reynolds, buildings and grounds; Charles A. Reynolds and Norma Noyes, community and public relations.

Bids on teaching supplies were reviewed by the board and the superintendent was directed to purchase according to low bids.

A low bid by Van Petten Lumber Co. for the replacement of the roof of the junior high school gymnasium, Riveria and Willow gymnasiums of \$5,223.00 was approved by the board.

Approval of the plans for the Greenwood School and the Riveria addition was read and the board approved July 21 for the review of the plans in order that bids may be opened in the middle of August.

Silver Dollars Mark Anniversary

Brightly polished silver dollars will mark one phase of the La Grande Fruit Company's 20th anniversary observance starting today and ending Saturday, Aug. 15, Robert Howard, owner-manager of the food distributing firm, said today.

The company's 22 fulltime employees will be paid each week for a month's period in silver dollars especially polished for the event by the Sacajawea Hotel's coin polisher.

McKay Reported As 'Fairly Good'

SALEM (UPI)—Condition of former Interior Secretary Douglas McKay, 66, remained about the same today according to attendants at Salem General Hospital.

WARNS ANOTHER BERLIN CRISIS COULD MEAN WAR

GENEVA (UPI)—Secretary of State Christian A. Herter today proposed calling on the United Nations to help police a Berlin truce agreement. He warned that another Berlin crisis flareup might plunge the world into war.

Herter appealed to Russia's Andrei Gromyko across the Big Four conference table to consider bringing an adequate U.N. staff into Berlin.

The staff, with free access to both West and East Berlin, would report on propaganda activities that might disturb the public or seriously affect the rights of others.

Herter described this as a form of "international scrutiny" over one aspect of Berlin's life.

Herter delivered the appeal as the conference headed towards what may be a crucial east-West showdown on Russia's Berlin demands.

The key item in the Soviet proposal is establishing of an All-German Committee in which the Communist East Germans would have an equal voice with the West Germans.

Warning From Russia The western powers fear such a commission ultimately would result in handing over all of Germany to Communist domination. Gromyko already has warned the Soviets will not sign a Berlin truce agreement unless the West accepts the demand.

The Big Four foreign ministers held their third plenary session since the conference resumed Monday after a three-week "cooling off" recess.

The gloom over the deepening deadlock at the conference table was slightly lifted when Gromyko lifted his veto on secret talks.

British Foreign Secretary Selwyn Lloyd conferred privately for two hours at lunch with Russia's Andrei A. Gromyko at the Soviet villa.

It was the first of a series of scheduled behind scenes get-togethers between Gromyko and the western foreign ministers. It indicated Gromyko is ready at last for "coffee cup negotiations" with the western leaders after a four-day filibuster in which he refused secret talks unless his East German satellites came along, too.

Tougher Soviet Terms But at the same time, he toughened his stand on Soviet terms for a Berlin truce agreement.

Gromyko warned the West it will get no agreement to end the Berlin crisis unless it accepts Russia's plan for an All-German Committee in which the East German Reds would have an equal say with the West Germans.

The West fears such a set-up ultimately would hand over all Germany to Red control.

Gromyko delivered his warning to the West through Jacob Malik, Soviet ambassador to London. Malik conveyed it to Britain's Patrick Reilly, at dinner Wednesday night.

The Russians already had intimated that western acceptance of the loaded All-German committee proposal was their price for a Berlin truce. But this was the first time they had voiced the warning in such unmistakable terms.

Hold Third Session The West had a rival plan for setting up a Big Four committee with East and West German advisers. However, western diplomats had little hope that Gromyko would accept or even consider it.

Licenses Approved The city commission approved the application of Miller and Burton, Box 36, Elgin, for a master amusement devices license at last night's commission meeting.

The commission also approved an amusement devices license for the company on the recommendation of Oliver Reeve, police chief.

City To Rent Equipment The city commission approved a request from Johnson and Meloy of Salem, Oregon, for the rental of city equipment at last night's meeting.

The construction company, which has been employed to remodel the armory, requested the use of a compressor and jackhammer for approximately two days.

The city will provide the equipment, complete with fuel and driver, at the rate of \$7.50 per hour. City Manager Fred J. Young said this equipment is the most requested piece of equipment the city owns.

Trespassing Charge Is Dismissed Against Oregon Wagon Cavalcade

KING HILL, Idaho (UPI)—The On-to-Oregon wagon train was cleared today on charges that it trespassed on private land between Glenns Ferry and Mountain Home in Idaho.

Justice of the Peace Lynn Sherman of King Hill dismissed the charges for "lack of evidence of criminal intent."

Appearing before Sherman were Gordon (Tex) Serpa and his wife Louise, leaders of the train, and Conn Sevaney and Eldon Thompson of Glenns Ferry, witnesses in behalf of the train.

The action against the train followed an allegation by King Hill rancher Jack Henley that the cavalcade had camped on his land without his permission.

Reds Won't Start War Nikita Says

KATOWICE, Poland (UPI)—Soviet Premier Nikita Khrushchev said today the Soviet Union is stronger than the West but will never start a war—"never, never, never."

He also said in a speech that Josef Stalin was right in signing his 1939 nonaggression pact with Adolf Hitler of Nazi Germany.

Khrushchev said Stalin was correct "in this specific case" because Britain and France were trying to turn the impending war against the Soviet Union and Stalin had to buy time to prepare.

In a one-hour pep talk on the class struggle to some 300 coal miners from 31 countries, Khrushchev boasted the Soviet Union was stronger than the West but "I pledge solemnly we will never launch any war against anybody else, never, never, never."

The Soviet Premier said he felt the capitalist world was "growing a little wiser" and "so I can say to you there will not be a war."

Delegates from South America, Asia and Western Europe as well as from the Soviet bloc, gave him a hero's welcome, cheering and shouting "Khrushchev, Khrushchev" when he entered the hall.

Zoning Board Report Not Presented

The city commission was unable to make any further progress in conjunction with the proposed lagoon sewage treatment ponds.

A report from the Joint City-County Zoning Board for the airport was not presented to the commission as expected at last night's meeting.

Bob Zweifel, chairman of board, was present at the meeting and stated that according to the regulations of the board it was not necessary for them to take any action at this time.

A permit for construction on the airport property must be obtained from the zoning board Zweifel continued. Until such time as that permit is requested the board will not deny nor approve any action.

The city manager was directed by the commission to take the necessary steps for obtaining the permit.

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earlier today. Henley swore out the warrant when he charged the train had stopped on his land without his permission.

"No one asked my permission and nobody has any authority to talk for me," said Henley. "We have a property protection problem out here and a lot of people think they're privileged. They just moved in and took possession."

The train is headed for Boise and is expected to arrive here Saturday.