

# School budget approval given in 626-253 vote

Margin here biggest in several years

## THE BEND BULLETIN

CENTRAL OREGON'S DAILY NEWSPAPER

TEMPERATURES  
High yesterday, 60 degrees. Low last night, 38 degrees. Sunset today, 6:16. Sunrise tomorrow, 4:46.

59th Year Ten Pages Bend, Deschutes County, Oregon, Tuesday, May 8, 1962 Ten Cents No. 130

# JFK denies plans for wage-price fixing

## Plans presented for 275 to 300 unit motel here

**By Glenn Cushman**  
**Bulletin Staff Writer**

A proposal which would result in construction of a 275 to 300 unit motor hotel in Bend was unveiled at a meeting of community leaders here Monday night.

Allen Graet, representing Developers, Inc., of Eugene, outlined the proposal at a meeting at the Elks Club attended by some 30 people.

The motor hotel would be located on the 12 acre site of what was Bruin Field on Highway 97 south, purchased nearly two years ago by the Eugene company. This represents a new approach to the property since Developers, Inc., had originally planned to construct a shopping center on the 12 acre tract.

Grant's plan would include an ice skating rink, a bowling alley, some shops located in the motor-hotel area. The motor - hotel would cater to state and national conventions and tourist business, he said.

## Support Sought

Grant told the group that he was here mostly to apprise lo-

## Paper firm plans plant at Gardiner

**SALEM (UPI)**—Gov. Mark Hatfield announced today that International Paper Co. has made a final determination on a \$35 million pulp, paper and sawmill operation and is locating it at Gardiner.

Site of the plant had been in doubt. International Paper was considering four sites in the Northwest—three in Oregon and one in Washington.

Company officials said at a news conference here that construction at Gardiner should begin in about six weeks. Gardiner is near Reedsport in Douglas County on the Oregon coast.

Hatfield said the operation will employ 650 workers during the construction, peaking out to 1,000. When the construction is completed in 1964, the average number of new jobs created will be 850.

Hatfield called it a "most significant advancement in our state's economic picture. It is particularly important as a geographical diversification to bring a tremendous economic impact to southwestern Oregon."

The 1961 legislature passed special legislation to expedite the proposal.

J. E. McCaffrey of Mobile, Ala., a vice president of International Paper, called Oregon "truly a tree country" and said this is an "important day in the history of International Paper Co."

The pulp and paper mill will be located on a 125-acre site adjacent to International's existing Gardiner sawmill, which will be modernized. The rebuilt sawmill will have roughly the same capacity—100,000 board feet per shift.

Main product in the pulp and paper mill will be unbleached linerboard and corrugating material for manufacture of shipping containers, plus unbleached paper for grocery bags and sacks. The operation will have a capacity of 100,000 tons annually.

## Redmond girl accident victim

**Special to The Bulletin**  
**REDMOND** — Mrs. Lynne McMorrow, 19-year-old daughter of Mr. and Mrs. Glenn Abel, 339 North Seventh Street, Redmond, was killed in a one-car accident near Vale about 6 p.m. Monday.

Mrs. McMorrow left Redmond Monday afternoon to visit a friend in Meridian, Idaho. She was driving alone when her car was driven over a ventura (near Vale) and was apparently killed instantly.

Mrs. McMorrow's husband, Terry McMorrow, is with the Army medical corps in Germany. They were married in Redmond last September and Mrs. McMorrow has been making her home with her parents in Redmond since March.

She was an expectant mother. Funeral arrangements will be announced by Zacher Funeral Home, Redmond, just as soon as McMorrow is contacted.

Mrs. McMorrow was a 1960 Redmond Union High School graduate and attended Northwest Nazarene College at Nampa, Idaho, for one year.

She was active in the Redmond Free Methodist Church where she was an assistant organist. Also surviving is a sister, Nancy Abel, a 15-year-old sophomore at RUHS.

## Sisters

**Special to The Bulletin**  
**SISTERS** — Voters in the Sisters school district passed the 1962-63 budget 94-16, in the election Monday.

Charles Morris defeated Albert J. Demaris for the three-year directorship on the school board, 72-38.

Jesse C. Edgington, unopposed for the five-year term, received 103 votes. There was one write-in for Lloyd Brown.

Hamlin Perkins was elected to the rural school board.

## Tumalo pupil receives medal

A Tumalo seventh grade pupil, Paul Crank, was winner of a gold medal in the Northwest Science Fair, it was announced today from the Oregon Museum of Science and Industry in Portland.

Ruth Elliott, also of Tumalo, was winner of a silver medal.

Students competing in the Northwest Fair were winners of their school and regional fairs throughout Oregon and southwest Washington. Their products will be on display at the Portland Museum through May 26.

Those winning gold medals in this final fair will be invited to the award dinner at Portland State College on May 26.

## WEATHER

Shower tonight and Wednesday; high 54-63; low 45-50.

## Stockholders okay giant rail merger

**By United Press International**  
Shareholders in the New York Central and the Pennsylvania railroads have voted approval of a merger of their two lines into a \$5 billion, 22,000-mile railroad system, it was disclosed today.

The shareholders held their annual meetings with officials of the respective companies in New York and in Philadelphia, the NYC at Albany and the Pennsy at Philadelphia.

Before the NYC meeting got under way, NYC President Alfred E. Perlman said the latest count of mail proxies showed about three-fourths in favor of the merger into what would be the largest rail system of the nation.

At Philadelphia, Board Chairman James M. Symes said that Pennsy shareholders have voted approval by an overwhelming majority: 85 per cent of the 13.1 million shares have been tabulated, and 83.2 per cent of those shares were in favor of the merger.

(See also story, page 10)

## Royal Laotians lose two more points to Reds

**VIENTIANE, Laos (UPI)**—The Royal Laotian Army today disclosed the loss of two more positions to advancing Communist rebel forces.

A government communique said Red troops coming from Muong Sai Monday captured Muong Nga, 35 miles north of the royal capital of Luang Prabang in northern Laos.

In southern Laos, the communique said, Red forces drove an outnumbered Royal Army unit from the outpost of Saravane, which Acting Foreign Secretary Sisonk Na Champassak warned newsmen Monday likely would be the next major goal of the rebels.

The communique also said that two Communist Chinese and one Communist North Vietnamese battalions were pressing on the heels of the Royal Army garrison which was defeated at the provincial capital of Nam Tha during the weekend.

Earlier, an American military adviser said two Royal Army battalions may have been trapped when the Reds overran Nam Tha.

The American identified the battalions as the 29th and 30th. Shattered elements of the Laotian forces attempted to regroup about 40 miles southwest of Nam Tha.

## Light showers, hail reported

Light showers that started Monday and pre-dawn hail in Bend yielded 0.25 of an inch of moisture as balmy spring weather continued in the area.

More showers are in prospect for tonight and Wednesday, the 24-hour forecast for Central Oregon adds. Temperatures are expected to remain mild, with a low of from 45 to 50 tonight and a high of from 56 to 63 tomorrow.

Monday's high was 60 degrees, and last night's low was 38.

This morning a light fog covered the Bend area, and shreds of fog remained in mountain valleys well into the day.

## 'Character assassination' charged

WASHINGTON (UPI) — Sen. Wayne Morse, D-Ore., lashed out in the Senate Monday at a book about him which he declared was "character assassination."

Morse told the Senate that the book by A. Robert Smith, a correspondent for several Oregon newspapers, was "full of untruths, half-truths, out-of-context distortions and oft-repeated Republican misrepresentations."

The book, entitled "The Tiger in the Senate," is to be published late this month but advance copies have been circulated among Morse's Senate colleagues.

Sen. Hubert Humphrey, D-Minn., rose with a smile after Morse's angry denunciation and said he could at least vouch for the accuracy of the title.

"Like a tiger, Morse displays courage, tenacity, perseverance and strength," he said.

Sen. Kenneth B. Keating, R-N.Y., also smiling, told Morse that he had not yet read the book, but that the title had given him the impression that it was campaign literature for Morse, not against him.

Morse said Smith was the correspondent for "several anti-Morse newspapers," and that his book contained "misstatements and slanted journalism."

"Political Purposes"

"The fact that the book's publishers did not submit the manuscript to me in advance of publication so that I could have pointed out to them its misstatements and slanted journalism is indicative of the political purposes of



LIONS BOSSES—Generally supervising work this morning when Lions constructed booths for their three day Home Show starting Thursday evening at the Armory were these two men. At left is Will M. Storey, using electric equipment, and at right is Maurice Shelton, general chairman, with booth plans under chin and drill in hand.

## Ban-bomb group greets Sec. Rusk

**CANBERRA, Australia (UPI)**—Secretary of State Dean Rusk was greeted by ban-the-bomb demonstrators today before he started talks with Australia and New Zealand to seek increased support against the Communist threat in Southeast Asia.

About 50 persons carrying banners protesting all tests by nuclear powers stood silently in front of Parliament House as Rusk arrived in a U.S. Embassy limousine to see Prime Minister Robert Menzies. There were no disorders.

Several members of Parliament from the opposition Labor party were spotted among the group which said it represented more than 5,000 members of ban-the-bomb organizations throughout Australia.

Rusk arrived here today for meetings with Australia's Anzus Pact allies, Australia and New Zealand. The first meeting was held behind closed doors.

Afterwards Rusk told a news conference that Communist-threatened South Viet Nam is "where the real fever is at the moment."

Rusk listed Laos as the second most dangerous area in Southeast Asia at the present time, "especially if they keep breaking the cease-fire there."

The secretary also said the United States was "concerned" about the continuing build-up by Indonesia of arms supplied by Russia.

"We expect to do our best to insure that these arms will not be used in an improper way," he said.

Today's opening session reviewed broad global war problems including Berlin, efforts to achieve an effective nuclear test ban, and over-all East-West strategy, reliable sources said.

## Houk selected to manage fair

**Special to The Bulletin**  
**REDMOND** — P. M. "Mac" Houk, well-known retired automobile dealer, has been named the Deschutes County Fair's first paid manager.

Directors of the Fair Association named Houk to the post at a special session Wednesday afternoon. Headquarters are being prepared at the fairgrounds.

Position as fair manager for Houk will be a summer-time one for Houk, who returned last month with his wife, Mary, from their annual winter's stay at Mesa, Ariz.

## Denied pre-publication peek

Guard, Oregon Statesman, Pendleton East Oregonian and the Medford Mail Tribunes.

The book traces Morse's rise from an obscure law professor in Oregon to the Senate, including his switch from the Republican ranks to the Democratic party, and his lone-wolf battles in the Senate.

Smith, commenting on Morse's charge, said he would prefer to let the book stand on its own merits and to let readers decide

## Three big days

# Home Show to open at armory Thursday

**By Phil F. Brogan**  
**Bulletin Staff Writer**

Lions joined in a hurried breakfast meeting this morning at 7 o'clock at the Superior Lunch, then started final preparations for their 1962 Home Show, to be held at the Bend Armory on Thursday, Friday and Saturday.

It will be the first of its kind ever held here and the clubmen, working to make the current show outstanding, hope to make it an annual event.

There will be no admission charge. M. F. Shelton, who was in general charge this morning when some 30 Lions showed up for work, stressed. The shows on Thursday and Friday will be from 7 to 11 p.m., daylight time. On Saturday, the show will be from 2 p.m. until 11 p.m.

This morning the Lions prepared 43 booths, each to hold a special exhibit, with an attendant in charge. Occupying one side of the

## Outdoor Exhibits

Diagonally across the street in the Bend Junior High tennis court area will be a number of outdoor exhibits, including an outdoor fireplace. Lions had hoped to have Boy Scouts set up a wilderness camp on the court, but these plans did not materialize.

Visitors will find much of interest in the Armory, Lions reported this morning as they put the finishing touches on booths in the Armory. Booths were constructed along the sides and down the center.

Exhibitors will start moving material in tomorrow, and will have everything in place when the show opens Thursday evening.

One of the special exhibits will be that of Brooks-Scanlon, Inc., and Oregon Trail Box. In this big booth, its backwall arranged in pine paneling, will be exhibited products of the Deschutes pine-lands, ranging from toys to household material.

## Slides Planned

Colored slides will be shown in this booth, and there will also be a presentation of movies.

Lions are to have a special booth illustrating some of their activities, especially their sight conservation efforts and aid to the blind.

Also to be arranged will be a refreshment booth, with Lions in charge. Wives of Lions are to provide homemade pies.

Final committee assignments were made by the Lions at their breakfast meeting.

## Union cheers appearance by U.S. chief

**ATLANTIC CITY, N.J. (UPI)**—President Kennedy told the United Auto Workers convention today his administration will not fix prices or wages but wants organized labor and management to show "responsible" restraint.

The chief executive was cheered by an estimated 10,000 delegates and guests when he entered the huge convention hall, which was decorated with a banner saying: "UAW—all the way with JFK."

Kennedy declared that unions must consider the public interest in shaping wage demands to avoid inflationary settlements.

"What good is it to get an increase in wages if it is taken away by an increase in prices?" he asked in a renewed plea for limiting wage-price advances to increases in productivity.

The President hailed the UAW for what he termed its historic policy of seeking pay boosts out of increased output per man-hour.

Walter P. Reuther, UAW president, who has called for wage gains greater than productivity increases for the short-range future, told the convention that the union would back Kennedy's efforts to keep prices stable.

President Reuther

Praising Reuther as a distinguished labor leader, the President added: "He and I do not always agree. He is happy to say it and I am not reluctant to say it. But he recognizes that I must meet my responsibilities as he meets his."

The UAW delegates, who waved signs and placards to demonstrate their support for Kennedy, cheered loudest when the President predicted passage this year of his proposal to provide medical care for the aged under social security.

They were silent, however, when the President told them to negotiate a "noninflationary and peaceful settlement" in this year's bargaining with aircraft and missile firms. The UAW has called for "catch-up" pay raises in this industry.

Kennedy responded to a two-minute ovation with this comment: "After speaking to the Chamber of Commerce and the leaders of the American Medical Association last week, I wondered how I got elected. Now I remember."

## Rejects Business Criticism

On his main theme of the need to avoid inflation, the President rejected criticism expressed by business leaders of his intervention policy in wage-price matters.

The chief executive said the nation was going through a critical period in its history that demanded recognition of the public interest by both industrialists and union chiefs.

Any inflationary trend, he said, would make it harder to compete with Western European countries and weaken the U.S. financial position in the world.

"I do not want capital to leave this country and go behind the Common Market curtain," he said.

"If we continue to lose capital and gold as we have in the past, the President of the United States... will have no alternative but to cut and withdraw..." U.S. forces overseas.

He cited Western Europe as an example of how a nation could increase its economic growth rate and exports without pushing up prices.

## BULLETIN

**CAPE CANAVERAL, Fla. (UPI)**—An attempt to send a revolutionary new Centaur rocket on its maiden flight ended in a fiery explosion 60 seconds after launch today.

The rocket's first stage, an Atlas booster, roared into life at 12:49 p.m. PDT.

The 107-foot silvery missile started a slow climb and reached an altitude of several hundred feet before the vehicle exploded in flames.

## DOW JONES AVERAGES

**By United Press International**  
Dow Jones final stock averages: 30 industrials 663.90, off 7.09; 20 railroads 138.24, off 1.36; 15 utilities 124.52, off 0.32; and 65 stocks 228.85, off 1.92.

Sales today were about 3.02 million shares compared with 2.53 million shares Monday.