

HOUSE APPROVES TAX REDUCTION

MEDFORD
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Weather

FORECAST: Decreasing and colder tonight. Variable high cloudiness Saturday. A little warmer Saturday afternoon. Low tonight 25. High Saturday 50.
Highest Yesterday 47
Lowest this Morning 32

Chiang Gives Up Nanchi; No Further Retreats Eyed

'Fight To Death' Ordered in Defense Of Quemoy, Matsu

Strong Support Expected From U.S.

Taipei, Formosa — (U.P.)—Generalissimo Chiang Kai-shek has surrendered Nanchi, his northernmost outpost island, to the Communists without a fight but has issued orders to his troops on Quemoy and Matsu islands to "fight to the death" in their defense.

Premier O. K. Yui told anxious Nationalist legislators that a point has been reached now from which there can be no further retreats.

He said Chiang has ordered Quemoy and Matsu, both located just off the Red China coast and approximately 100 miles from Formosa, defended to the last man, if they are attacked.

Strong support expected from the United States, he said. He said Chiang has ordered Quemoy and Matsu, both located just off the Red China coast and approximately 100 miles from Formosa, defended to the last man, if they are attacked.

Military authorities said Chiang, after following American advice in the evacuation of the Tachen Islands and Nanchi, expects the United States to give strong support if the Reds move against his two remaining island strongholds.

Nanchi was Chiang's northernmost outpost and its loss cleared within two weeks half of a 300-mile coastline which he once dominated with his island stronghold. He still holds a 150-mile line from Tainan in the north to Quemoy in the south and it was seriously threatened.

The Nationalist air force announced it had carried out a heavy bombing attack against a new enemy buildup threatening Matsu Island, a few miles below Yinsan and one of the two major defense posts still left. The other is Quemoy.

Three Boys Picked Up In Vandalism Cases

Three juvenile Medford boys were picked up yesterday by sheriff's deputies in connection with damage to property owned by Mrs. W. H. Muirhead, 2003 Hillcrest rd., and two others were questioned regarding a series of thefts in Ashland.

The three Medford boys were picked up after reports that windows and doors had been broken at the home of Mrs. Muirhead, who is out of town. The families of the boys, who are 12, 14 and 15 years of age, were contacted and they said the boys would replace the windows and clean up the mess which they created.

The Ashland boys admitted taking part in a series of thefts in which four other boys have been implicated. A 16-year-old picked up yesterday also admitted malicious mischief including breaking off car aerials and tipping over tombstones in Ashland cemetery.

Veteran Garage Operator Plans Retirement Saturday

William A. (Billy) Young, the veteran among Medford's independent garage operators, is closing the doors of his firm at 119 North Front st. Saturday and will retire.

Young has been in the garage business in Medford since 1910, when he came here from Kansas. He opened his own business in 1915 in a site on South Bartlett st. During World War I, Young operated the largest welding shop in southern Oregon.

In 1930, Young built his present garage building on North Front st. and has been in business at that location since that time.

To Close Business

In announcing his retirement this week, Young said that the garage will not be kept in operation. "I'm going out of business," he said.



LEAD FIGHT AGAINST TAX CUT—House Republican leaders in the fight against income tax cuts prepare to present their view at a closed party caucus of all 203 House Republicans in Washington. Left to right: Illinois Reps. Leslie Arends and Leo Allen, Massachusetts' Joe Martin and New York's Daniel Reed.

Polio Vaccination Program Outlined for Jackson County

Full cooperation of the Jackson county chapter of the National Foundation for Infantile Paralysis has been offered in support of the prospective polio vaccine program now being organized by the Jackson county health department.

At a meeting of chapter personnel last night, plans for the

mass inoculation of all first and second grade school children in the county were outlined. The vaccine program will be carried out in the same manner as other immunization programs through the schools. Dr. A. Erin Merkel, county health officer and chairman of the polio chapter's medical advisory committee, said.

Educational literature regarding the vaccine will be available through the state board of health which will control the inoculation program in Oregon.

Harry Chipman, chairman of the county polio chapter, stressed that the final go-ahead on the vaccine program will await results of evaluation tests now

being conducted by the University of Michigan. The results are expected about the middle of April, he said, and if the report is favorable and the vaccine is granted a federal license, the inoculations will start immediately.

Series of Three 'Shots' Children in the first and second grades of public, private and parochial schools will receive the vaccine on request of their parents, as will children in the trial groups last year who did not receive vaccine at that time, it was stated. The "shots" will be given in a series of three, the first two a week apart and the third a month later.

Cooperation of physicians in the county, school authorities and volunteers will be solicited to carry out the program in Jackson county, Chipman said.

The March of Dimes organization has contracted for \$9,000,000 worth of vaccine to be used this spring if the vaccine is licensed. This commitment has assured an immediate supply of vaccine and has helped keep pharmaceutical houses toiled up for full production while waiting for the evaluation report, Chipman said. It will also make possible vaccine for distribution to physicians through usual channels.

Private Supply Available Persons who will not receive the vaccine through school channels in the spring program will have an opportunity to obtain it through their private physician, it was stated.

"Preparedness does not mean that polio prevention has been established as yet and parents are cautioned not to let their hopes run away with them," Chipman stressed. "It only means that if the vaccine is licensed in the spring, we will lose no precious time in putting it to use," he said.

New No-Turn Signs In Operation Today Overhead neon "no turn" signs will be placed in operation today on both streets at the intersection of Central ave. and Sixth st., according to Vernon Thorpe, director of public works.

The signs will be turned on at peak traffic periods, he explained, in order to facilitate traffic flow in the downtown district. The council authorized the signs at a recent meeting.

Cost of Living Reported Unchanged Washington — (U.P.) — The cost of living was unchanged between December and January and reflected a "high level economic stability," the Labor department reported today.

House Unanimously Approves Pay Raise Washington — (U.P.) — The Senate, in a surprise move today, rejected a compromise congressional pay raise bill.

Washington — (U.P.) — House members today unanimously approved a compromise bill to give themselves and senators a \$7500 a year pay raise, a \$1250 tax-free expense allowance, and six round trips home each year. The bill was passed by voice vote without objection.

The pay bill, hammered out in a Senate-House conference yesterday, is a revision of other measures previously approved by the House and Senate.

East-West Talks On Disarmament Open in London

Need Seen To Attain Real, Lasting Peace

London — (U.P.)—The United States and its Western Allies today opened a circuit East-West disarmament conference with Russia amid sharp British reminders that there is "imperative need" for agreement to avoid the threat of atomic war.

British Minister of State Anthony Nutting told delegates of the United States, Russia, France and Canada at the opening session:

"All mankind will agree that there is no hope of attaining real and lasting peace without real, all-around disarmament."

90-Minute Session The initial session of the conference lasted only 90 minutes. A routine communique, issued afterward, gave no details. The next session was scheduled for Tuesday.

The dread power of nuclear and thermonuclear weapons hung over the conference: The United States just exploded a series of nuclear weapons in Nevada; Britain just announced it will build the H-bomb; Russia said it had outstripped the United States in H-bomb production.

Lodge States Position The conference meeting today is technically the United Nations disarmament Commission Subcommittee. Delegates from the United States, Britain, France, Canada and the Soviet Union sat down together to try to find a solution.

The West was in a "show me" mood for the same diplomats or their twins have been seeking the end of the disarmament rain-bow since the end of World War II. They have not been able to reach agreement because Russia has insisted that any system of controls and inspections would violate its sovereignty.

U. S. Delegate Henry Cabot Lodge Jr. gave the Western position Thursday when he said the West is not cynical despite the long history of failure. He said it would leave no stone unturned to find an "honest, workable" system. He emphasized the "honest" part by using it twice.

Local Meetings Will Draw 2,700 At least 14 state or regional conventions, meetings or sports events, which will attract an estimated 2,700 or more visitors to Medford, have been scheduled here during 1955, the Jackson County Chamber of Commerce has reported.

Others may be added later, and some already scheduled may not have been listed with the chamber.

The largest gathering will be in October when a regional convention of the Dramatic Order Knights of Khorassan will meet, with an estimated 550 to 700 delegates.

The Oregon State Federation of Labor will meet here in July, with about 500 persons attending, and a state convention of Future Farmers of America will be held March 14 to 18, with 400 to 500 in attendance. Others include Business and Professional Women, about 65 persons; Episcopal Diocese of Oregon, state convention, 300 to 350; state DeMolay convention; Oregon State Life Underwriters association, 125 to 150; Building Trades council; state convention of Women's Christian Temperance union, about 200; and Knights of Pythias grand lodge, about 350.

Sports events will include the Oregon Open Golf tournament in March, the southern zone and Grand Pacific trapshootings meetings and the Mail Tribune shoot.

Nehru Favors Chiang's Evacuation of Islands New Delhi, India — (U.P.) — Prime Minister Jawaharlal Nehru said today that Nationalist China should evacuate Quemoy and Matsu islands just off the Red China coast as the indispensable first step toward any Formosan settlement.

H-Bomb 'Father' Sees Surprise in Next Development

Berkeley, Calif. — (U.P.) — Dr. Edward Teller, famed nuclear physicist generally recognized as the "father of the H-bomb," predicted today that the next major development in atomic power will come as a "complete surprise."

Teller made this prediction in an article written for the magazine Science. In the article, the University of California scientist traced the laborious steps that culminated in the explosion of the first hydrogen bomb on Eniwetok Island in November, 1952.

Teller said he was given "too much credit and perhaps too much blame" for developing the world's most terrible weapon. He said development of the H-bomb was the result of "hundreds of ideas and thousands of technical skills."

New Dangers Loom Among the scientists who contributed initially to the creation of thermonuclear weapons, Teller said, was Dr. J. Robert Oppenheimer, who had recently been accused of "blocking" their development.

Recognizing the inherent danger of the H-bomb's destructive power, Teller added his personal belief that "we would be unfaithful to the tradition of Western civilization if we were to shy away from exploring the limits of human achievement."

Teller said the "very size" of our progress has "opened up other dangers."

"We may be led to think that this accomplishment (the H-bomb) is something ultimate. I do not believe that this is so."

"Where the next steps will lead, I do not know. It is not likely that it will be just bigger bombs again. The world is full of surprises and great developments rarely go along straight lines."

Praises Oppenheimer "But the skills and the knowledge that developed the A-bomb and the H-bomb can undoubtedly be turned to new directions, and we shall fail if we rest upon our accomplishments."

Teller gave Oppenheimer full credit for development of the A-bomb and for stimulating Teller to research on the H-bomb.

Teller testified a year ago against Oppenheimer in hearings which resulted in the cancellation of Oppenheimer's security clearance. He told the Atomic Energy Commission then that Oppenheimer "acted in a way which was hard for me to understand."

He also said he preferred to see "the vital interests of this country in hands which I understand better and therefore trust more."

Intercontinental Missile Revealed Washington — (U.P.) — The Air Force today let Atlas—a fantastic intercontinental missile of the future—out of its bag of secret weapons.

For the first time, the Air Force admitted it was working on an intercontinental ballistic missile called Atlas. But the work, it was indicated, is still in the early development stage.

Gen. Nathan F. Twining, Air Force chief of staff, told reporters that work on the Atlas was "just getting going."

Twining's statement was the first time any Air Force official has even admitted the existence of the Atlas project, being carried on by Convair Division of General Dynamics Corp.

DOW-JONES AVERAGES New York — (U.P.) — Dow-Jones final stock averages: 30 industrials 409.50 off 0.80; 20 railroads 147.75 off 0.58; 15 utilities 63.78 up 0.09, and 25 stocks 152.45 off 0.29. Sales today were about 2,540,000 shares, compared with 2,920,000 shares traded yesterday.

Myrtle Creek, Ore. — (U.P.) — The Umpqua Lumber Company has announced the permanent closure of its plywood division here.

Road Conditions State police reported six inches of new snow on the Greensprings mountain pass and three inches on Siskiyou pass this morning but said highways had been well scraped and sanded. Last information was that traffic was proceeding without chains although motorists were advised to carry them.



DR. EDWARD TELLER Too Much Credit Given

Eight Men Appear In Circuit Court; Two Get Sentences

Eight men appeared before Judge Orval Millard in circuit court this morning, and two of them were sentenced to terms in Oregon state prison. Three others received suspended sentences.

Those sentenced to prison were Frank Sylvester Jantzer, 39, of Box 375, Trail, and Donald Neal Ware, 20, San Dimas, Calif. Jantzer was given a two-year term on a charge of contributing to the delinquency of a minor. Ware was sentenced to one year in prison on a forgery charge.

Suspended Sentences Suspended sentences were given to Oscar Freeman Stallsworth Jr., 20, of route 4, box 250, Grants Pass; Alex James Heagle, 36, Cottage Grove, and Milton Edward Wallace, 18, of Box 55, Phoenix.

Stallsworth was given a suspended two-year term for burglary not in a dwelling. Heagle received a suspended three-year term on a charge of obtaining money under false pretenses, and Wallace was given a two-year suspended term on a charge of burglary not in a dwelling.

Probation was continued for George Edison Moore, 23, of route 1, box 671, Central Point, who was charged with probation violation.

Pleads Guilty Larry Wilson Irvin, 23, of route 4, box 64, Grants Pass, pleaded guilty to a charge of larceny in a building, and Charles Edwin Joy, 22, Spokane, was arraigned on a charge of attempted burglary at Bullock's Orthopedic Appliances, 902 East Main st., last night.

Joy was captured by city police at about 11 p.m. yesterday following a brief chase. The court this morning ordered him committed to the county jail in lieu of \$1,000 bail. He is scheduled to enter a plea to the charge on March 5.

Oregon Production Earnings Increase Salem — (U.P.) — Earnings of more than 100,000 production workers in Oregon rose to an all-time high of \$88.92 a week in January, the State Unemployment Compensation Commission said today.

Hourly pay also reached a new top of \$2.22 as compared with \$2.12 a year ago.

Construction workers led all groups with average earnings of \$100.48 a week.

Juvenile Detention Home Preliminary Plans Discussed Preliminary plans for a juvenile detention home, approved last fall by Jackson county voters, were discussed here yesterday at a meeting of members of the county court and members of the juvenile advisory committee.

Taking part in the meeting were Commissioners L. G. Northland and Chester Wendt, James V. McGowan, chairman of the executive committee of the juvenile advisory group, Dr. William Miller, and Bill Abbott.

The purpose was to correlate efforts, make preliminary plans and to discuss financing of the project.

Jackson county voters last fall approved, by an overwhelming majority, a measure providing for a tax levy to raise \$65,000

Ike's Protests Overridden by 210 to 205 Vote

Package Deal Faces Rough Road in Senate

Washington — (U.P.) — The House overrode President Eisenhower's protests today and passed a \$20 tax cut for everybody, effective next year.

By a five-vote margin in a photo-finish roll call vote, the Democrats kept in a package tax bill the \$20 cut which Mr. Eisenhower had denounced as the height of "fiscal irresponsibility."

The crucial roll call was won by the Democrats, 210 to 205.

By that margin, the House defeated a Republican vote to take the income tax cut out of, corporation and excise (sales) tax rates which otherwise would be reduced April 1.

The whole combined bill then was passed and sent to the Senate on an anti-climactic roll call of 242 to 175.

The income tax cut would cost the government up to \$20,300,000 a year. Extending the corporation and excise taxes would save the treasury \$2,800,000,000.

The income tax cut faces a doubtful future in the Senate. Whatever the outcome, the House debate is sure to leave political scars.

Republicans had denounced the Democratic plan as "black-jacking" and an attempt to "buy votes."

Just before the vote, speaker Sam Rayburn (D-Tex.) took the floor and uttered an angry vow. "I am in no shoddy deal," he said. "I am not trying to buy any votes."

"And you who have made those statements will live to regret it."

On the crucial vote 16 Democrats from the East and South backed the Republican move to knock out the income tax cut.

Five Republicans from the East supported the income tax cut.

On final passage, 221 Democrats and 21 Republicans voted aye. Voting against passage were two Democrats and 173 Republicans.

The vote meant it was all over as far as the House was concerned.

However, the tax-cutting drive faced an uphill fight in the Senate.

It faced powerful opposition from Chairman Harry F. Byrd (D-Va.) of the Senate Finance Committee and his senior committee man, Sen. Walter F. George (D-Ga.). Should the Senate reject the tax cut, the bill would be sent to a conference between Senate and House tax-writers.

Should the bill reach the White House with the tax cut still on it, President Eisenhower could either sign it reluctantly or veto it and demand that Congress immediately enact a bill to extend present corporation and excise rates.

Air Force To Claim Deserter Suspect

Sheriff Howard Gault said this morning he has been contacted by the U. S. Air Force concerning the status of David Werner Hanson, 21, who is being held in the county jail, charged with being a deserter from the Air Force.

Hanson, who under the name Hal Sheppard organized and led a band in this area, was arrested Wednesday by FBI agents and city police.

Gault says there are no local charges against Hanson, adding that he expects him to be picked up here by Air Force authorities within the next few days.

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