

HOUSE VOTE ON SALES TAX

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Ike Optimistic on Peace

U.S. Not To Talk Behind Back of Chiang Kai-shek

President Agrees With Dulles Reaction

Washington (U.P.)—Senate Republican Leader William F. Knowland today bluntly challenged President Eisenhower's expressed willingness to negotiate with the Chinese Communists.

Washington (U.P.)—President Eisenhower, asserting that peace chances seem on the upswing, said today the United States would be glad to talk with Red China about a Formosa cease fire and anything else not affecting Nationalist China's own affairs.

Mr. Eisenhower, at his news conference, was in an obviously optimistic mood about peace chances.

The President also declared that the United States would not talk behind the back of Nationalist China.

Mr. Eisenhower acknowledged that the State Department's initial reaction last Saturday to an offer by Red Chinese Premier Chou En-lai to negotiate Far East problems might have been too harsh and perhaps overstated.

Agrees With Dulles

The President said he fully agreed with the more liberal reaction given yesterday to Chou's offer by Secretary of State John Foster Dulles.

The State Department had said Saturday that the United States would "insist" that Nationalist China be present at any talks with Red China and it called on the Reds to give evidence of good faith.

That statement was issued by the State Department after Acting Secretary of State Herbert Hoover Jr. had cleared it by telephone with Mr. Eisenhower, who was spending the week end at his Gettysburg, Pa., farm.

Direct Conversations

Mr. Eisenhower said today the United States would be glad to test the Chinese Reds' offer. He said if they want to talk about a cease fire in the Formosa Straits, the United States would be glad to talk so long as Nationalist China's interests are not involved. This supported the Dulles idea that the United States could talk directly with Red China, if necessary, without Nationalist China's attendance.

Mr. Eisenhower was asked if he saw signs of a tapering off in East-West tensions in recent days. With minor qualifications, the President said he confessed that he had the feeling things are on the upswing. He noted the break in the Far Eastern impasse and Russia's statement that it is ready to conclude an Austrian treaty.

Baseball

Washington (U.P.)—The nation's record breaking stock of surplus wheat may be whittled down slightly in the marketing year beginning July 1, the Agriculture Department said.

Pittsburgh

Pittsburgh (U.P.)—The CIO United Steelworkers has served notice on the basic steel industry to start negotiations for new wage contracts within 30 days.

Portlander, 20, Confesses Threat of Bomb Explosion

Portland (U.P.)—Police today reported their first major break in the bomb-hoaxes that have plagued the area recently with arrest of a 20-year-old youth yesterday afternoon who officers said admitted one threat.

Edward E. Henson, a shipping clerk at Dahken, Inc., was held under \$10,000 bail on a charge of threatening to commit a felony by mailing a threatening note to his firm last week. The letter warned a bomb would explode at the wholesale house yesterday but police uncovered no bomb.

Henson denied any part in any other threats.

Henson told police he just intended "a practical joke."

"At no time did I consider

Ike's Farm Program Gives Opportunity To Low-Income Families

Washington (U.P.)—President Eisenhower today sent Congress a new poor man's farm program, designed to "open the doors of opportunity" to 1,500,000 low-income families on small farms.

"In this wealthiest of nations, where per capita income is the highest in the world, more than one-fourth of the families who live on American farms still have cash incomes of less than \$1,000 a year," the President said in a special message to Congress.

He proposed expanded programs of education, guidance and credit to help some earn more on small farms. Others

would be trained for business and industrial jobs and encouraged to move off land so poor that farming is "an almost hopeless struggle."

Farms Concentrated

Low-income farms are concentrated in about one-third of the nation's 3,000 farming counties, Secretary of Agriculture Ezra T. Benson reported. They lie largely in a southern and eastern belt stretching from eastern Texas to Pennsylvania.

Farmers in these areas are up against "lack of enough good land, lack of equipment, lack of credit facilities and often lack of... management information and skill," the agriculture secretary's report said.

The Proposed Solutions

"Those which the people most concerned have chosen, as shown by their economic and social behavior," the report asserted.

Key Proposals

Expand cooperative federal-state agricultural extension work and adapt it to the needs of low-income families. In pilot counties, Benson said at least 50 families a year should be given a complete farm production and living guidance service. These families would serve as an example to their neighbors. They might be encouraged to save money by buying and selling cooperatively, Benson suggested.

2. Expand research on the operation of small farms, possibly setting up several experimental farms to study new combinations of crops.

3. Provide information on town and city job prospects to farmers in areas that should not be cropped. Benson said this might be coupled with state action to bar farming in some areas by zoning laws. Poor land now in farms could be sold for forestry use, the secretary suggested.

New Industry

4. Expand state and local programs designed to bring new industry to rural areas. Federal agencies should help in locating defense industry in sections heavily populated by low-income farmers.

5. Authorize the farmers home administration to recognize part-time farmers. FHA should also be given 30 million dollars for five-to-seven year loans to low-income farmers, and banks should be encouraged to make more loans of this type.

6. Encourage private farm, business and other leadership to unite in community development projects to make the most of "agriculture's human resources."

The building will be constructed on a concrete slab foundation with heavy timber and a metal roof. An overhead crane will be constructed inside.

Lease Two Mills

The brothers have leased two saw mills and a planing mill in Gall's creek to the Stage Coach Lumber company. They have been operating the saw mill operation in Gall's creek since 1946, after coming here from the mid-west where they were engaged in machinist work.

Offices for the company are located at 635 Second ave. in Gold Hill.

Production Stated

Production of gang saw and other allied equipment and machinery is expected to start in about 60 days, they said, and added that they expect to start operations by manufacturing 28-by-24-inch machines. The brothers will also design and construct machines larger and smaller than the 28-by-24-inch equipment, they said.

Fred and Otto Jeddell said the enterprise is expected to expand to a quarter million dollar industry with employment commensurate to its growth.

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Temperatures Drop To Record Lows; Fruit Damage Minor

Some Orchards May Suffer Partial Loss

Temperatures dropped to a record seasonal low in the Rogue valley this morning, and orchard heating was fairly general.

Limited damage will probably result in a few of the orchards in the colder parts of the valley where there was no heating, according to Don Berry, county agent for horticulture. He said that the total amount probably would be insignificant in the overall crop picture.

The temperature dropped to 27 degrees at the airport weather bureau, chalking up a new record low for this date, and also a record low for this late in the season. The previous record low was last May 1, when temperatures dropped to 28 degrees and caused heavy commercial damage to last year's fruit crop.

The temperature in the coldest spots was 23 degrees, Berry said. He said that in some orchards which are in or approaching full bloom, and in cold, unheated spots, some damage will result. It may cause some seedless or rough pears, he believes.

Presto-Logs Used

Some of the valley's orchards heated with Presto-Logs, as part of continuing experiments in the use of wood waste products, and in others return-stack, or "smokeless," heaters were used in the fruit growers' program of converting to heaters which throw out less smudge smoke.

While heating was fairly general, it was heaviest in the southern portion of the valley, where clear skies resulted in a more rapid drop in temperatures. In the north, cloud cover made it possible for heating pots to be lighted later and put out earlier.

West Debates Big 4 Conference

London (U.P.)—The Western Big Three debated today whether a Big Four foreign ministers conference or a meeting of the chiefs of state stood the best chance of winning a cold war settlement from Russia.

American, British and French diplomats met to work out concrete plans for a four-power meeting—the level of the conference, the subjects to be discussed and whether to hold it in early summer or in the fall.

Their meeting at No. 10 Carlton House Terrace, with West German Ambassador Herbert Blankenhorn sitting in on German problems, marked the start of a Western diplomatic summer offensive that could end with a four-power meeting "at the summit."

Lowry Cites Work on Comic Book Measure

Salem (U.P.)—The Senate Judiciary Committee last night gave approval to a series of bills designed to force objectionable comic books and paperback books with racy covers off Oregon newsstands.

Sen. Phil Lowry (R-Medford) said it was the committee's intention to turn out "effective, workable" legislation in the comic book field and he said he believed the amended bills would meet the test of constitutionality. He added that there was nothing in the series of bills that could be construed as encouragement of book burning.

6C School Bond Vote Thursday, 2 to 8 p.m.

Central Point — Voters in School District 6C, including the areas around Central Point and Gold Hill, will vote on a \$350,000 school bond issue tomorrow.

Polls will be open from 2 to 8 p.m. in the Gold Hill elementary school and the Central Point Junior high school.

The bond authorization is being sought by the district for financing construction of two new elementary schools, one in each city. School authorities say that they are necessary to accommodate next year's students and to eliminate certain sub-standard rooms now in use.

Sandy

Sandy (U.P.)—Walker A. Proctor, 90, president of the Clackamas County Bank at Sandy for the last 37 years, died yesterday.

Minority Attempt To Kill Proposal Draws Rejection

Package Scheduled On Thursday Agenda

Salem (U.P.)—The Oregon House today voted 33 to 26 in favor of sending a sales tax proposal to the voters next November.

The vote came on an attempt by the Democratic minority of the House Taxation Committee to kill the sales tax bill before it reached the calendar. After turning back the minority move, the House moved to place the full sales tax package of bills on special order of business tomorrow.

Rep. Pat Dooley (D-Portland) led the attack against the sales tax, claiming that it would put the burden of taxation on the low income groups to the benefit of upper income brackets. He said the Republican majority was attempting to "fool the people" with "lures" such as reduced income taxes, reduced property taxes, and aid to distressed school districts.

Speaks in Favor

Rep. Loran Stewart (R-Cottage Grove), chairman of the tax committee, denied there was an attempt to "sugar coat" the sales tax. He said that only by combining a sales tax with an income tax, after the California plan, was it possible to make the plan sound.

Stewart told the House that the combined forms of taxation would give the state a balanced tax plan that would meet increasing needs over the long range and comply with both the benefit and ability to pay theories of taxation.

Extravagances, Stewart asserting that any surplus from such a tax would go for debt retirement.

Pearson Claims Paint Job

Rep. Walter Pearson (D-Portland) claimed that a bad financial picture had been deliberately painted by the Republican majority to make a sales tax appear necessary. Rep. C. Allen Tom (Rufus) replied that Pearson "was only making a speech" and that he either had not listened to state financial reports in the taxation committee or did not mean what he said.

Before opening debate on the sales tax, the House approved and sent to the governor the Senate changes in the income tax measure. The sales tax, if finally approved, would go to the voters as a proposed alternative to the new, higher income taxes.

Promising Gas Sands Found Near Ontario

Ontario, Ore. (U.P.)—H. K. Riddle, president of Oroco Gas Company, today said his wildcat rig had struck promising gas sands near highway 52 seven miles east of Ontario.

Riddle said the sand was struck at about the 1390-foot level. His rig by today had drilled 40 feet into the sand, and he did not know how much thicker it was.

Tests run on the well yesterday gauged 200,000 cubic feet of gas per day. Commercial minimum is said to be 50,000 per day.

The well was the fourth sunk in this area by Riddle. He said a major oil company geologist, who inspected the well yesterday, described it as "very encouraging," and perhaps capable of producing millions of cubic feet of natural gas per day.

Artesian water was struck at the same hole at the 300 foot level, Riddle said. But the gas sand apparently was free of water.

Portland Gas Stations Increase Retail Prices

Portland (U.P.)—Retail prices at some Portland area service stations were up to 34.3 cents a gallon for premium gasoline today.

The raise followed tank wagon price increases by most major oil companies ranging from 3 cents per gallon on regular to 9 on premium. Maximum prices to consumers were \$18.8 on regular and \$24.3 on premium.

Salem Hotel Gets Explosion Threat

Salem (U.P.)—A clerk on duty at the downtown Senator hotel received a telephone call threatening an explosion in the hotel about 5:15 p.m. yesterday.

Police were notified of the anonymous call at once and moved in to evacuate the hotel's banquet rooms and lounge. More than 160 persons were turned out of one of the banquet rooms as police searched without result for a bomb.

Investigators were convinced the call was a prank.

Weather

FORECAST: Thickening, and lowering cloudiness tonight. Variable cloudiness with occasional light showers mostly in mountains Thursday. Low tonight 33-35. High Thursday 55.

Highest Yesterday 45 Temp. Lowest this Morning 27 Prec. to 4:30 a.m. today .54



HIGH WINDS HIT TEST SITE—Military observers at Camp Desert Rock arise in the open air after 50 m.p.h. winds blew down 100 tents. A thousand observers were forced to sleep in the open winds when space ran out to house them. The winds forced a postponement of "Operation Cue," a nuclear detonation which had been scheduled at the Nevada test site.

Assemblies of God District Convention Opens; Reports Given

Nearly 850 persons attended the opening devotional rally of the 19th annual meeting of the district council of Oregon Assemblies of God, according to the Rev. Wildon Colbaugh, host pastor.

The overflow crowd last night heard the Rev. Ralph M. Riggs, Springfield, Mo., general superintendent of the general council of the Assemblies of God, speak during the services, which also featured the Christ's Ambassadors, youth organization of the Assemblies.

The convention is being held in the Medford church, at 1108 West Main st. Between 250 and 300 persons had registered up to mid morning today, and some 400 or more are expected before the convention concludes Friday.

Today's activities opened at 10 a.m. with a devotional service, led by the Rev. Levi Larson, pastor of Evangelistic Temple, Salem. The first business session began at 10:30 a.m.

The Rev. Atwood Foster, Salem, superintendent of the district, whose headquarters are at the Assemblies' campgrounds near Brooks, Ore., was one of the speakers. Others included the Rev. N. D. Davidson, pastor of the First Assembly of God, Portland, secretary, and the Rev. Lester Young, Brooks, treasurer.

425 Ministers

The convention was told that there are now 425 ministers in the district in the three divisions of the ministry, those ordained, those licensed, and those classed as Christian workers.

There are 15 more churches in the district this year than last, the total growing from 175 to 190, and the assembly was told that 10 more are expected during the coming year. Representation from about three-quarters

Fong Defense Calls Ex-Laboratory Chief

Portland (U.P.)—The defense in the murder trial of Way Him and Sherry Fong today called on a former director of the Oregon state crime laboratory to attack the state's claim that Diane Hank may have died as a result of barbiturate poisoning.

Dr. Howard L. Richardson, Yakima, Wash., pointed to what he said were deficiencies in reports of examinations made of specimens from the 16-year-old girl's decomposed body.

He pointed to a statement in one report of Dr. Homer Harris, present crime laboratory director, which said "decomposition precludes satisfactory examination for less stable poisons, including alkaloids." Dr. Richardson said barbitual is an alkaloid.

Dr. Richardson was crime laboratory director from 1946 to 1951.

'Rogue Valley Memorial' Is Name Selected for Hospital

Name of the new hospital to be constructed here will be the Rogue Valley Memorial hospital, it was revealed yesterday.

The board of directors of the Medford Hospital Association, Inc., the corporate entity which operates Community hospital, filed supplementary articles of incorporation with the county court changing the corporate name to Rogue Valley Memorial Hospital. Both the institution and the corporate names will be the same.

Some \$1,200,000 will be needed to build the structure, on a site near the eastern end of Barnett rd., which has already been acquired. A major fund-raising effort will be conducted here this summer. Considerable portions of the amount needed

Baby Severely Burned as Fire Engulfs Crib

Eugene (U.P.)—A 10-month-old baby was in critical condition with burns over 80 per cent of its body at Sacred Heart hospital today after being rescued from its flaming crib.

The fire victim was Patrick Lavery, son of Mr. and Mrs. Donald E. Lavery of Springfield. The boy was pulled from his crib by C. A. Standridge and Larry Dilley, both of Springfield.

Fire Chief Harry Kreiger said the blaze apparently started in the crib at about 10 a.m. due to overheating from a nearby wood stove. The two men broke into the smoke-filled kitchen and dragged out the crib, only to find it empty.

They went back a second time and found the baby lying on the floor on the mattress, which had dropped out of the bottom of the burning crib. A fire department rescuer was immediately called.

The baby was unattended when the fire broke out. The kitchen and living room of the four-room house were scarred by the flames.

Rep. Coon Raps Oregon Senators

Washington (U.P.)—Rep. Sam Coon (R-Ore.) charged today that the two Democratic senators from his state are "playing a vicious game" to block construction of the John Day dam.

He did not mention Sens. Wayne L. Morse and Richard L. Neuberger by name but referred to them as "Oregon's keepaway senators... obstructionists."

Coon said they gave the Senate a "garbled and meaningless" version of his bill to authorize immediate development of the John Day project on the Columbia river.

"It is pretty obvious," he said, "that these obstructionists have been against everything so long as their first reaction to anything new is unreasoned opposition."

"These politicians and publicists, who are playing a vicious game of keepaway with the people of Oregon, have apparently lost their ability to analyze and form sound judgments on any new idea or principle."

He said his only conclusion is that "they don't want John Day built at all."

NLRB Schedules Vote By Ontario Employees

Ontario (U.P.)—The National Labor Relations Board has set tomorrow as the date for employees at Oregon Frozen Foods Company here to choose their bargaining agent.

Balloting will determine whether the company's 430 workers want Teamsters local 900 of Pendleton to bargain for them.

The union yesterday filed a denial of unfair labor practices charges filed against it by the company. The NLRB petition by Oregon Frozen Foods charged the union with intimidation of employees.

Atomic Explosion Scheduled Thursday

Las Vegas, Nev. (U.P.)—A mid-morning weather evaluation affirmed acceptable weather forecasts for an atomic explosion tomorrow. The weatherman advised the Atomic Energy Commission that the forecast is for a "fairly stable" meteorological situation.

If the shot goes tomorrow morning, the visitors and the press will get a chance to see how "Survival Town" fared on Friday morning.

Some Cutter Vaccine Believed in Oregon

Portland (U.P.)—Dr. Harold M. Erickson, state health officer, said today Oregon had received no Salk polio vaccine for distribution to first and second graders but that he believed a limited amount of vaccine from Cutter Laboratories had been distributed through commercial channels.

Dr. Erickson said the Oregon health department had understood it was to get its supply from Cutter but that it was out and that it probably would come from an eastern producer.

(See stories on Page 7)