

SENATE KILLS SALES TAX PLAN

Congressional Leaders Sold On Foreign Aid Need

Washington — (U.P.) — Senate Democratic Leader Lyndon B. Johnson of Texas said today a White House briefing on the foreign situation made him "more optimistic" about prospects for peace in the Far East.

President Eisenhower briefed Johnson and 28 other congressional leaders of both parties for 90 minutes about his \$3,500,000,000 foreign aid program. Secretary of State John Foster Dulles briefed the congressmen also on the latest developments in the Far East and Europe.

Partial Breakdown
For the first time, the White House gave the House and Senate leaders a partial breakdown on foreign aid proposed for the fiscal year starting July 1. The big share of funds earmarked for Asia would go to South Korea and Indochina. Formosa ranked third.

The leaders came away apparently sold on the need for continuing foreign aid. They were not specific, however, about how big the program must be.

To Start Hearings
Johnson told newsmen there was nothing new in Dulles' briefing that would cause alarm. In fact, he said, recent developments make him "more optimistic and hopeful for peace than we have been in certain periods."

Johnson estimated that the Senate Foreign Relations Committee, which will open hearings tomorrow on legislation to authorize the foreign aid, will complete action in a week or 10 days.

Concerning foreign aid, House Republican Leader Joseph W. Martin of Massachusetts said he thinks "they'll get what they need because they've demonstrated that until we get peace and stability in the world we've got to spend for a while."

Chairman Walter F. George (D-Ga.) of the Senate Foreign Relations Committee agreed that Congress will continue foreign aid.

Diem Troops Drive Rebels From Cholon

Saigon, Indochina — (U.P.) — Premier Ngo Dinh Diem's government troops drove the last rebel troops out of Cholon today in another major victory that gave the anti-Communist premier a firmer grip on divided Viet Nam.

Maj. Gen. Tran Van Don, commanding the government troops fighting the Binh Xuyen, said the rebel gang was forced out of its last major stronghold in Cholon, the Chinese twin city of Saigon, after a nightlong artillery duel halted at dawn.

The victory aided Diem in his showdown with absentee Emperor Bao Dai who was "deposed" Saturday by a revolutionary military assembly which gave every indication of making the move stick while demanding the withdrawal of French troops from Indochina as well.

The move against the emperor appeared to have the backing of the United States.

A Washington dispatch said the United States was prepared to ditch the playboy emperor if necessary to save Diem and his anti-Communist government.

General Hicks, 56, has made his home in Medford for about a year after retiring from the Air Force after serving in the Army and Air Force since 1923. He and Mrs. Hicks and their two children live at 40 South Modoc ave.

A graduate of West Point, the career officer became a rated pilot in 1924, and until 1935 served at various Air Corps stations. Later he commanded the supply branch of the field division of the materiel command at

Among those at the briefing was Senate Republican Leader William F. Knowland of California who has dissented from Mr. Eisenhower's decision to sound out the possibility of bilateral talks with Communist China.

Nine Angling Law Violators Appear In District Court

Nine angling law violation cases were brought into district court here yesterday, according to court officials. The cases were among 15 which have been cited into district court since fishing season opened last week.

Those who appeared in court yesterday were:

John Clarence Cimfl, 47, of 162 North Second st., Central Point. Cimfl pleaded guilty to fishing without a license and was fined \$25 and costs, with \$15 of the fine suspended.

A 15-year-old Medford boy. He was fined \$25 and costs, with \$20 of the fine suspended, on a charge of angling without a license.

Francis Earl Cox, 33, of route 2, box 163A, Central Point, and Richard Elbert Cox, 28, of the same address. They each were fined \$25 and costs on charges of angling in a closed area.

Robert Ray Humphrey, 45, Butte Falls Star route, box 19, Eagle Point. Humphrey was fined \$25 and court costs, with \$15 of the fine suspended, on a charge of angling during closed season.

Chris Wolff, 61, and Rose Wolff, 48, both of route 1, box 477, Medford. They pleaded guilty to a joint charge of angling during a closed season, and were fined \$25 and costs, with \$20 of the fine suspended.

Jimmie Stogsdill, 29, of 148 South Keeneway dr., and Lawrence William Anderson, 31, of 742 McAndrews rd. Anderson was fined \$25 and court costs on a charge of angling during closed season, and \$15 of the fine was suspended. Stogsdill is scheduled to appear in district court on or before May 7.

Anastasia Income Tax Witnesses Disappear

Miami — (U.P.) — Police searched the rugged wooded shoreline of Biscayne Bay today for traces of a witness in an income tax case against Albert Anastasia, "the lord high executioner" of Murder, Inc., and his wife.

The couple, Charles Ferri and his wife, disappeared mysteriously from their fashionable home here which was found deserted and found smeared with bloodstains.

Pools of human blood in the \$40,000 home provided the only clue to their disappearance.

"We cannot even call it murder until we find some bodies," said Deputy Sheriff John Tyler.

Salem — (U.P.) — A measure to allow the use of tape reporting in court, if specifically authorized by the judge, and used together with shorthand, has been approved by the House and sent to the governor.

Wright Field, O., and also served the air service command.

In 1942, he spent two months in England setting up supply organization, and later commanded the supply division of the air service command at Kelly Field, Tex. During the early war years he served in various capacities in Spokane, Wash., in Georgia and Texas.

In Far East
In 1944 he was named chief of the supply division of the Far East air service command, at Hollandia, New Guinea, and in 1946 was named chief of the supply division of the Philippine air service command, Manila, later transferring to the Japanese air materiel area.

His later commands included organizations in Utah, Ohio, and in 1951, in France, where he initiated the first air depot at Chateauroux under the mutual de-

State Milk Control Measure Beaten by 38-22 House Vote

November Vote Said Conclusive

Salem — (U.P.) — The House yesterday killed a bill that would have restored state milk controls at the producer level. Vote was 38 to 22 with opponents declaring that the people spoke conclusively last November when they wiped out the Milk Marketing administration and that resumption of state controls was inadvisable.

Milk Price War Feared
Proponents of the measure expressed a fear that a milk price war was brewing in Oregon and that producers would be the first to suffer. Rep. Elmer Deetz (R-Canby) known for his successful battle against milk control during the general election campaign, was one of the sponsors of the bill to protect producers.

He said that in the event of a price war the distributors would protect their margins of profit at the expense of the producers.

Debate was punctuated by criticism of advertisements placed in Sunday newspapers by a large grocery chain claiming that it was making too much money at present milk prices and that retail prices should be cut. Rep. Arthur Ireland (R-Forest Grove) said he hoped the advertisement had not influenced the thinking of members.

He added that producers were protected under present law and that the dairy industry should get out of politics.

Rep. Maurine Neuberger (D-Portland) long time opponent of the Milk Marketing administration, said she favored the bill even though she, as a consumer, might enjoy lower milk prices if it were defeated.

Rep. Harry Elliott (R-Tillamook) said "milk legislation brings nothing but embarrassment to the dairy industry" and he asserted the bulk of milk bills were the work of the minority groups and "disgruntled individuals."

The House also voted to impose licensing and inspection controls on vocational schools in the state to eliminate unscrupulous operations.

Full Calendar Set By City Councilmen

A preliminary report on annexation plans will be given by City Manager Robert Duff to the city council at its 7:30 p.m. meeting today. The report will be similar to one given the planning commission last Friday.

Also on the agenda is the award of a contract for a sanitary sewer in the Eastwood and Capital hill area. W. H. Conrad, Inc., of Medford was low bidder for the project with a bid of \$45,354.50, \$15 under a bid submitted by the Coast Construction company of Albany, Ore.

Hearings on construction of a water main on East Jackson st., on paving petitions from Park st. and Hamilton st., and on annexation requests from Vista Heights, Woodson Park and Douglas additions, also are scheduled for tonight.

The council also will consider miscellaneous traffic rule requests.

Weather
FORECAST: Considerable cloudiness tonight and Wednesday. Low tonight 40; high Wednesday 60.
Highest yesterday 63
Lowest this morning 43

Since coming to Medford, he has been active in the Ground Observer corps, standing a regular two-hour shift each week, and fills in at the observer post at other times.

As director of civilian defense for the county, General Hicks will be responsible for the coordination and planning of all duties in connection with defense against attack, for setting up evacuation centers in case of bombing of other areas, and for maintenance of a skeleton civil defense organization which can go into action immediately if needed.

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Fred Meyer Extortion Plot Investigated in Portland

\$10,000 Demanded In Telephone Call; Bomb Threatened

Youths Questioned By Police; Released

Portland — (U.P.) — Police today investigated another in a series of bomb threats in which \$10,000 was demanded from Fred Meyer stores.

Officers said two juveniles whose English sports car fled from the scene of where the money was to be picked up were questioned and then released early today. Both were considered innocent of connection with the case. Another car, in which police say they saw a child, was seen in the pickup area.

Details Withheld
Although police withheld many details, Sheriff Terry Schunk and Police Chief Jim Purcell said an extortion demand for \$10,000 was made by telephone yesterday to the general offices of the Fred Meyer firm. A bomb explosion in one of the stores was threatened.

Instructions were given calling for the money to be placed in a bean patch on the outskirts of Portland. Police put the area under surveillance.

One car was seen near the spot and officers said a little girl was seen to get out and play beside the road. They said she could have innocently picked up the package, supposedly containing the money.

Shots Fired
The sports car appeared later and parked. Later when police tried to stop it, the car fled and several shots were fired by police until one hit a tire. The two juvenile occupants said they were merely drinking beer, Chief Purcell said.

The threat was the latest in a series that has plagued Portland since bombing of the Meier & Frank Department store last month in what police said was part of a \$50,000 extortion plot.

Several juveniles have been arrested in connection with telephone bomb threats to schools.

Morse Says Power Program 'Phony'

Washington — (U.P.) — Sen. Wayne Morse (D-Ore.) charged last night that the administration's "partnership" power program is a "phony" and a "give-away" to private power monopolies.

Morse was asked about the administration's program to construct power dams in collaboration with private firms.

Morse said the "partnership" program "sounds good, but it's a phony."

"What the administration really is for in the partnership scheme is to turn over to monopoly" those features of the dams which produce revenue. The taxpayers, he said, would pay for those projects which produce no revenue — flood control measures, canal locks and fish ladders.

Article in Treaty Demanded by Soviets

Vienna, Austria — (U.P.) — Soviet Russia demanded today the Austrian state treaty contain controversial "Article 16" which would permit the Communists to retake some 36,000 Iron Curtain refugees in Austria.

Thousands of refugees risked their lives to escape to freedom in Austria — Russians, Hungarians, Poles, Czechs, Romanians, stateless Jews and Yugoslavs. Some have threatened suicide if the dread Article 16 is approved in the treaty.

The Russians want a clause in the treaty allowing Communist "interventions" to visit Austrian refugee camps and arrange wholesale deportation of men, women and children back to the Communist nations from which they fled.



RAFT CREW RESCUED—Capt. Devere Baker and four crewmen from ill-fated raft Lehi II as they arrived at Monterey, Cal., aboard Coast Guard cutter Active. They were taken off craft after calling for help. (Left to right): Bosun Mate G. J. Elliot of rescue ship Active; William Souza; Devere Baker; George Harris; Crawford Hartley, and Lawrence Hall.

Phoenix Sets Vote Monday, May 16th, On Sewer Facilities

Phoenix — The Phoenix city council last night called a special election for May 16 so that voters can decide whether or not sewer facilities will be constructed in the community.

Two proposals will be put to the voters:

1. Authorization of \$40,000 in general obligation bonds to provide for sewage disposal.

2. Installation of a sewer system to be financed by assessments on property benefited.

Poll at City Hall
The election will be held between 12 noon and 8 p.m. May 16 at the city hall.

The \$40,000, if approved, will go toward connection of Phoenix sewers to Medford's disposal plant, through the South Bear Creek Sanitary district, and the sewer system within the city will be financed by assessments estimated at about \$3.65 per front foot on property benefited.

In other action, the council accepted the resignation of Fire Chief Lovell Robbins effective May 1, and appointed Leo Furry to fill the position.

Three Multnomah Polio Cases Listed

Portland — (U.P.) — Three Multnomah county children have fallen victim to polio following inoculation with the Salk vaccine produced by the Cutter Laboratories of Berkeley, Calif., Dr. Samuel B. Osgood, state epidemiologist said today.

However, Dr. Osgood said it was much too early to determine whether or not the Cutter vaccine was responsible.

He added that there have been no cases reported following inoculation with Parke-Davis vaccine, which is to be used in Oregon public school programs.

Multnomah county's three polio victims were among 31 cases reported by the state public health service so far this year, six of which were for the week ending April 30.

Atomic Explosion Scheduled Wednesday
Las Vegas, Nev. — (U.P.) — A weather evaluation briefing today revealed a satisfactory forecast for Wednesday and the Atomic Energy Commission once again began preparations for firing a test shot which has been postponed daily for the last eight days.

The explosion would test "Survival Town," a group of buildings constructed at Yucca Flats to determine the ability of American cities to withstand effects of a nuclear blast.

Suspects in Hit-Run Accident Arraigned; Bound Over to Jury

Two men extradited here from southern California in connection with a hit-run automobile accident were arraigned in district court yesterday and were bound over to the grand jury under heavy bond.

The two are Claude Richard Day, 23, and Jack LeRoy Day, 18, both of Portland. They were arrested in Los Angeles following an accident near Talent which resulted in serious injuries to Mrs. Ruby Bartley, 55, of route 1, box 237, Talent.

Waive Hearing
The Days appeared in district court yesterday before Judge Rawley Moore. They waived preliminary hearing and counsel. Claude Day, who is charged with failing to stop at the scene of the accident and remaining until he had rendered reasonable assistance to Mrs. Bartley, was bound over to the grand jury under \$2,000 bond. Jack Day, charged with failure to leave his name and address at the scene of the accident, was bound over under \$1,000 bond.

Six young men, five of them Southern Oregon college students, also appeared in district court yesterday and were fined

on liquor law violation charges.

Plead Guilty
Joseph William Lucas, 17, of route 1, box 98, Eagle Point, pleaded guilty to illegal possession of intoxicating liquor, and was fined \$10 and costs.

Fines of \$7.50 each, plus court costs, were levied against Charles Leonard Crandall, 18, Coos Bay; Ronald Lyman Owens, 20, Klamath Falls; William David Seymour, 19, Ashland; Allen Mamoru Kimura, 18, Wapah, Oahu, T.H., and Thomas Lee Jacobson, 18, Coos Bay. The five, all southern Oregon college students, pleaded guilty to charges of illegal possession.

Meat Inspection Bill Passes Senate

Salem — (U.P.) — The meat inspection bill that was once considered dead in committee was passed by the Oregon Senate yesterday with only three dissenting votes. The house immediately concurred in minor Senate amendments and the bill was sent to the governor.

When signed into law, the measure would raise \$150,000 to inaugurate a pilot program in the meat inspection field. The State Department of Agriculture would be directed to launch a trial operation and present the 1957 Legislature with more accurate estimates of the cost of a full program.

A full program of compulsory state meat inspection would augment the present federal and municipal meat inspection systems now in operation in parts of the state.

Board of Equalization Meets Monday, May 9
The first meeting of the Jackson county board of equalization will be held Monday, May 9, it was announced today by R. G. Fowler, county assessor.

The board meets each year to consider complaints on the amount of assessed valuation placed on real property. It is empowered to make such changes as may be necessary to bring about an equalized levy.

Taxpayers having real property upon which an increased assessed valuation has been placed this year are being notified of the increase through cards being mailed this week. Those with complaints may appear before the board starting next Monday.

The board is composed of County Judge Rodney Keating, Ralph Cook and Arnold Bohner.

House Conferees Agree On Postal Pay Raise
Washington — (U.P.) — Senate-House conferees agreed today on a compromise bill to give pay increases averaging 8.8 per cent to 500,000 postal workers.

It faces a probable presidential veto. President Eisenhower has indicated he would disapprove any boost higher than 7.6 per cent.

Ohmart, Lowry in Minority Battle Urging Approval

Action Postponed By 20 To 10 Vote

Salem — (U.P.) — The Senate today killed the proposal for a three per cent sales tax by voting 20 to 10 to postpone indefinitely House bill 694.

Those voting in favor of the indefinite postponement were Sens. Allen, Belton, Bingner, Boivin, Brady, Carson, Francis, Geddes, George, Hardie, Hatfield, Holmes, Johnson, Leth, Loneragan, McMinimee, Merrifield, Sweetland, Wilhelm and Smith.

Voting against the majority report of the Senate Tax committee were Sens. Brown, Chase, Gill, Hounsell, Husband, Lowry, Ohmart, Steen, Ulett and Ziegler.

Report Urges Passage
First action, after two hours of debate, came on a minority report submitted by Sens. Ohmart, Lowry and Steen, urging passage of the sales tax. Sen. Lee Ohmart (R-Salem) led the minority fight, urging a sales tax as assurance that Oregon would not be faced with a state-level property tax. He noted that the last time the property tax was levied for the state was in 1940, but added that Oregon now is faced with a \$60,000,000 deficit in the next biennium and must raise the revenue to meet it one way or another.

Highest Income Tax
"In the near future," he said, "we could have a property tax forced upon us. The limitations could be lifted and we would be faced with a property tax the bounds of which none of us now know."

Noting that Oregon already has the highest income tax in the nation, Sen. Ohmart said the 45 per cent surtax on top of that, already passed by both chambers and now in the hands of the governor, could well discourage industrial development in Oregon. He said there was no flexibility in the supplemental revenue measures, the three cents a pack tax on cigarettes and higher liquor prices.

Sales Tax 'Inevitable'
He added that the sales tax "has the highest degree of flexibility. It is inevitable that a sales tax will be invoked in Oregon. It might as well be now."

Sen. Rudie Wilhelm (R-Portland), chairman of the Senate Tax Committee, said House Bill 694 was technically a good bill, "but the tax program already in the hands of the governor is a good tax program, and we should leave it where it is now and not try to change it this late in the session."

Would Take 'Millions'
Sen. Robert D. Holmes (D-Gearhart) described the sales tax as "the most fraudulent and misleading tax. It has had a cancerous growth because its proponents say it is taking only pennies from the people when actually it is taking millions."

Sen. Warren Gill (R-Lebanon) said "after we have enacted that horrible income tax bill, putting a tax on the tax, the only way we can extricate ourselves from the stupid tax program is to vote in a sales tax."

Sen. John P. Hounsell (R-Hood River), who favored the minority report, acknowledged that the sales tax has been defeated five times at the polls in Oregon, but said "this is the best sales tax program ever submitted."

May Be Last Day
The vote left Senate President Elmo E. Smith (R-John Day) and House Speaker Edward A. Geary (R-Klamath Falls) more firmly convinced that this could be the last day of the session.

The Senate passed, also by a vote of 20 to 10, a House-approved measure to put a tax of 3 cents a pack on cigarettes. The bill now goes to the governor.

Firemen Call at 199 Homes In Medford Inspection Job

The fire department also reported that Chief Homer Grable of the Grays Pass fire department and 17 regular and volunteer firemen from there last night used the Medford department's facilities for smoke mask drills last night.

Grass, Trash Fire
In other fire department activity, the rural pumper responded to a grass and trash fire alarm in an orchard on the C. C. Jensen property on Foothills rd. yesterday afternoon. About 1 1/2 acres burned over, and some lower pear tree limbs were damaged by the fire. No damage was reported following a flue fire at the Roland L. Rober residence on Table Rock rd. last night.

Among the 115 homes where firemen were welcomed to make their inspections, 79 recommendations were given householders for the removal of conditions which have been found to be common causes of house fires.

The program is entirely voluntary, firemen report, but it is offered as a service to residents. It is hoped that firemen can call at each home in the city.

Firemen yesterday called at a total of 199 homes in Medford during the first day of the 1955 home fire inspection program, they said this morning.

Of the total, at 78 homes the occupants were away, and in 6 cases firemen were refused admission.

79 Recommendations
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