

South Medford Annexation, Budget Defeated

R. R. PASSENGER TRAINS IN AREA TO END AUG. 7

Railroad passenger service between Portland and Ashland will be discontinued on Aug. 7, the Southern Pacific railroad announced today.

The last remaining passenger trains on the run are Nos. 329-330, the "Rogue River," which are overnight trains between the two cities. Notices that the schedules will be ended were posted today in all the SP stations on the line.

Removal of the two trains has been rumored for several years, ever since passenger service between Ashland and Dunsmuir was discontinued.

Lack of Patronage
Bernal S. Quayle, Portland, general passenger agent, was in Medford this morning to announce the change. "The service is being eliminated because of lack of patronage, resulting in heavy financial losses," he said. "The operating loss for 1954 amounted to \$453,425, including a loss on Pullman car operations of \$23,133. The loss in 1955 would be even greater, since actual studies up to date in 1955 indicate a loss of \$466,000 for the year if the trains were continued."

He added that a count of passengers using the train between Jan. 1 and April 30 showed that an average of 18 passengers were carried southbound daily, and 20 northbound.

Car, Bus, Plane Cited

Quayle cited the constant improvement of Highway 99, which has resulted in increasing use of private automobiles. He also said that Pacific Greyhound lines maintain eight daily schedules over the route, and that United and West Coast airlines have six flights daily between Medford and Portland.

Quayle expressed regret that the train had to be discontinued, but said it was "inevitable that the railroad had to eliminate services that are no longer desired or patronized by the public, in order not to burden the bal-

Nudist Convention Conducted in Area

A nudists' convention was held in Jackson county for four days ending Monday, it was revealed today.

Delegates from 15 northwest nudist clubs attended the gathering at the park owned by the Siskiyou Fraternity, which lists its address as Box 1241, Medford. The park's location is said to be "a beautiful valley near Medford."

The delegates came from Washington, California, Nevada and British Columbia clubs, as well as from Oregon, according to the report given the Mail Tribune. Championship contests in volleyball and archery were conducted, with trophies going to the winners, and a hobby exhibit was held.

The customary king and queen contest was held Sunday, with judging based on congeniality, personality, suntan, and the individual's work in the organization. The "king" is a local businessman, the report said, and the "queen" is a member of the Seattle, Wash., nudist club.

Geneva Convention Ratification Predicted

Washington—(U.P.)—Sen. Mike Mansfield today predicted overwhelming Senate ratification of the 1949 Geneva Conventions overhauling international agreements for treatment of war victims.

City Council To Canvass Election Vote Saturday; Hearing on Budget, Laurelhurst Annexation Set

Public hearings on annexation of the Laurelhurst addition and the 1955-56 budget for Medford will be held at an adjourned city council meeting Saturday noon. Votes from three elections yesterday will also be canvassed.

The council probably will postpone indefinitely a public hearing on annexing more than 3,000 acres east, south and west of Medford. The proposal was rejected by residents of the area yesterday.

Action on the items was postponed last night when election returns were not complete at the end of the meeting.

City Manager Robert Duff and City Attorney Frank Farrell were instructed to determine who finances moving utility

ance of the operations with unnecessary losses."

He said the trains had lost money "despite our efforts to attract patronage by improving the service. In recent years modern equipment added to the train included a lounge car with snack meal and beverage service. We provided diesel power . . . ; we shortened the schedule and cost of Pullman rooms was reduced. These efforts were unsuccessful in attracting new business," he said.

Quayle also declared that the alignment of the route would prevent any more rapid service even with special, new lightweight equipment, and that its use, while it might cut losses, would not eliminate them.

Premier-Designate Of Italy Submits List for Cabinet

Rome—(U.P.)—Premier-designate Antonio Segni today handed to President Giovanni Gronchi a cabinet list for a new pro-western government which he said will end Italy's two-week-old political crisis.

The new government is pledged to mild reforms at home and strong support of the Western Alliance abroad.

It differs little from the middle-of-the-road coalition of fallen Premier Mario Scelba, except that it omits the Republicans who, with the Christian Democrats, Social Democrats and Liberals, made up Scelba's coalition.

Depends on Republicans
Segni's political life will depend upon whether the uncertain support of the tiny Republican Party, which refused direct participation in his government.

The Republican Party, smallest of the four-party center coalition of recent Italian governments, decided Tuesday night against accepting any portfolios in the Segni cabinet.

They announced, however, that they will support him in parliament where their five votes in the 590-man Chamber of Deputies are vital. Without the Republicans, the three-party Segni coalition would fall one vote short of majority.

Parliament reconvenes next Tuesday and Segni will go before the Chamber of Deputies then to seek a vote of confidence. If successful, he will ask the Senate for a similar vote later.

Cove Orchard Man Dies in Flaming House

McMinnville, Ore.—(U.P.)—Roy Riggs, 25, was burned to death in his bed at Cove Orchard north of here this morning as his horrified wife and relatives stood outside the flaming house.

Coroner Glen Macy said the small house was reduced to ashes in a matter of minutes and the Yamhill fire department, four miles away, arrived too late to save Riggs.

Riggs was a night worker at the Birdseye Frozen Foods plant at Hillsboro. His wife and her father were across the street when the fire started and were unable to rescue Riggs. She was taken to a McMinnville hospital in a state of shock. The couple had been married less than a year and had moved to Cove Orchards two months ago from Jay, Okla.

Prison Rebellion Ends

MEDFORD TRIBUNE
 United Press—Full Leased Wire
 50th Year 18 Pages MEDFORD, OREGON JULY 6, 1955 Price 5c No. 91

Like Voices Hope For Trust To Lead To Eventual Peace

President Won't Be Forced Into Campaign

Washington—(U.P.)—President Eisenhower spoke today of peace and politics.

He voiced hope that a trust could be developed among nations that would lead to more sincere good faith and eventually real peace. That trust is not present now, the President said.

As for politics, Mr. Eisenhower told his news conference that he would not be—as he put it—forced into running for a second term next year. He said that is a decision he will make himself.

The President was questioned at length about his estimate for the chances of peace as the Geneva Big Four conference approached. He also was quizzed about the controversial Dixon-Yates contract, and his political future.

To Geneva With Hope
The President said he will go to the Geneva conference which begins July 18 in a very hopeful attitude. But he stressed that his hope must have greater food on which to nourish before it can become expectation.

He said the United States now is seeking to develop what he termed an interim trust among nations so that this step will lead to the mutual trust and peace that might culminate in peace and international disarmament.

Mr. Eisenhower described heavy military spending as perfectly stupid, particularly when it is the hope of so much of the world that these weapons would not be needed for warfare.

Dixon-Yates Issue
The President also dwelt on these other subjects:
Dixon-Yates: He would be willing to cancel the Dixon-Yates contract if the city of Memphis, Tenn., goes ahead with construction of its own power plant.

Military Reserves: He is hopeful that Congress will enact legislation creating a 2,900,000-man ready reserve force along the lines he has proposed.

Minimum Wage: He still favors the administration's 90-cent-an-hour minimum wage proposal. He has never predicted one way or the other whether he would sign legislation calling for a \$1 an hour minimum. The Senate has passed a \$1 minimum. The House is considering proposals ranging from 90 cents to \$1.25.

Alert: He called a national emergency during the recent Civil Defense alert in which 53 major American cities theoretically were bombed and severely damaged because he did not learn until after the exercise started that so many cities were to be involved in the exercise.

Schools: He described as extraneous any anti-segregation amendment to the school construction bill. He said we need the schools and that other questions should be considered separately without muddying the waters. He used the same expression when an anti-segregation amendment was tacked on to his original military reserve bill.

They were prepared to assure the President that Congress

probably can achieve the adjournment target date despite the absence of Johnson's hard-driving leadership.

Acting Democratic Leader Earle C. Clements (Ky.), who took over for Johnson when the rangy Texan was stricken with a heart attack Saturday night, said after a meeting of the Senate Democratic Policy Committee Tuesday that "there is no reason to believe that adjournment will be delayed."

Senate Republican Leader William F. Knowland earlier told reporters the GOP would work as cooperatively with Clements as it has with Johnson.

Mr. Eisenhower Tuesday urged Knowland and House Republican Leader Joseph W. Martin (Mass.) to press for approval of his military reserve program and his atom-powered "peace ship" before Congress adjourns. The President also stressed his desire for passage of housing, and school construction legislation.

Johnson's Condition Declared Improved

Washington—(U.P.)—Sen. Lyndon B. Johnson's doctor said the Texas Democrat is "better today than he has been at any time" since he suffered a "moderately severe" heart attack late Saturday.

But the doctor, James Cain of the Mayo Clinic at Rochester, Minn., emphasized it will be "five or six months" before the extent of permanent damage can be determined.

House, Senate Differences On NW Projects To Be Aired

Washington—(U.P.)—Differences in appropriation bills passed by the House and Senate will be worked out at a conference of representatives of both houses expected to be scheduled soon.

The Senate appropriations bill, passed yesterday, included funds for several public works projects in the Pacific Northwest for which no funds were approved by an appropriations bill passed by the House last month.

Ice Harbor Project Largest
Largest of these projects were the Ice Harbor dam on the Snake river near Walla Walla, Wash., which was authorized \$1,000,000 by the Senate; \$750,000 for dredging at the mouth of the Columbia river; \$500,000 to begin work on the Talent division of the Rogue River irrigation project; \$500,000 to begin work on Cougar dam on the McKenzie river, and \$310,000 to start

and planning on the Bruce Eddy dam on the Clearwater river in Idaho, \$100,000.

Both House and Senate were in agreement on the following appropriations for Northwest projects:

The Dalles dam, \$63,500,000, to assure first generation by late 1957; McNary dam, \$11,000,000; Chief Joseph dam, \$18,000,000; Lookout Point dam, \$200,000; Lucky Peak dam, \$500,000; Columbia Basin Irrigation project, \$12,500,000.

Deschutes Fund Listed
Deschutes reclamation project, north unit, \$274,000; Willamette river bank protection, \$300,000; and \$1,000,000 for Eagle Gorge dam near Seattle; Multnomah drainage district, \$35,000; Grand Ronde river, \$55,000; Malheur river, \$6,000; Prineville, \$4,000; Amazon creek, \$22,000; and \$35,000 for Johnson creek.

BPA Funds Increased
The Senate public works appropriations bill included \$6,850,000 for operation and maintenance funds for Bonneville Power administration, a \$150,000 increase over the House bill. Both groups set the BPA appropriation for construction at \$14,600,000.

Other projects included in the Senate bill but bypassed by the House were: flood control at Coos Bay, \$236,000; flood control work at Tillamook bay and bar, \$200,000; planning funds for Green Peter dam, \$200,000; work on Tacoma harbor \$846,200

and planning on the Bruce Eddy dam on the Clearwater river in Idaho, \$100,000.

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Object to Parole Group
The second main point was that the Classification and Parole Department "must be reorganized in order to assure that in the future men will not be retained beyond their release date because of official incompetence or negligence. Mr. Charles Simon should be relieved pending a complete investigation of this department."

Simon is in charge of the Classification and Parole Department.

To this Harris said he would shift Simon's position "pending a complete investigation of the department, consistent with the merit system and respect to the law."

Harris said a request (inmates insisted their demands be termed requests) that an inmate council be established immediately was "meritorious and actually should solve all the inmates' grievances." The inmates listed nine other conditions for ending their rebellion.

Support for Talent Project Solicited By Two Senators

Support of the Senate's appropriation of \$500,000 for the Talent project when the measure goes to a conference committee with the House was asked by Oregon's two senators today.

In telegrams to the Mail Tribune, Senators Wayne Morse and Richard L. Neuberger said the bill, which includes all recommendations for Oregon projects made by the Senate appropriations committee, "is of major importance to Oregon for power, flood control, navigation and irrigation. We shall work diligently to preserve these gains as the bill goes to conference to work out differences with the House," they said.

In a separate wire, Senator Neuberger said, "Please urge your readers to convey their views on Talent to House members so Senate sum will not be lost in conference. Senator Morse did fine job for Talent appropriation."

Prisoners Win Key Provisions In Nine-Point Pact

Hostages Held for 26 Hours Released

Walla Walla, Wash.—(U.P.)—Convicts at Washington State penitentiary ended their riot today and released nine prison employees they had held hostage for 26 hours.

The rebellion ended at 11:30 a.m. (PST).

The first hostage released was Theodore Bezerides, assistant superintendent for custody. He looked extremely pale and weak as he emerged from the cell block where he had been confined.

The riot ended after the state director of institutions, Dr. Thomas Harris, negotiated with five convict ringleaders of a hardcore of 35 "maximum security" inmates, who triggered the riot and took over all the prison and its 1784 inmates except the walls.

Sign Pact with Cons
Dr. Harris and Dr. Clarence Schrag signed a nine-point agreement in which Harris said he agreed to "as far as law would permit."

There were two key provisions which the convicts said were most important.

One was that the Board of Prison Terms and Paroles "must be investigated by the state Senate or other competent authority for the reason that we (the prisoners) note a great dissimilarity between sentences established for identical crimes committed in similar circumstances."

To this point, Harris said, "I do not have the power to ask the Senate to investigate anything connected with the Board of Prison Terms and Paroles."

However, I can recommend to the Department of Institutions to determine the length of sentences and I can report to the governor to look into the situation," he added.

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Newsman Called In
After Harris and Schrag signed "in good faith" the hostages were brought out to meet three newsmen who were selected to witness the signing. They were Fenton Roskelley of the Spokane Daily Chronicle, Sam Angoff of the Seattle Post-Intelligencer and this writer (Russ Neilson).

The prisoners' conditions for ending the riot included a ban against reprisals for those who took part and led it and a moratorium on isolation cells. They insisted on being given a modern law library and an investigation of whether their mail has been delayed.

Damage Suit Filed For Injured Daughter
A \$52,174.20 damage suit has been filed in circuit court by Leonard Laughtery of Ashland for his six-year-old daughter, Shareen, against the city of Ashland and C. E. Corry, superintendent of Ashland parks.

Daughterly claims his daughter suffered injuries which left her permanently disabled in a fall from a slide in the Lithia park playground about Aug. 14, 1951. The suit asks \$2,174.20 in medical expenses, loss of employment compensation for both him and his wife, Winifred Daughtery, and \$50,000 personal damages.

Marble Removed From Windpipe of Youngster

Central Point—Steven Dunn, 18 months, son of Mr. and Mrs. Roy Dunn, Box 454, Central Point, is reported today in good condition at Community hospital where he has been since July 4 when a marble became stuck in his windpipe.

The boy's parents took him first to the rural fire hall at Central Point and because the firemen had no resuscitator the fire chief, Dick Krupp, escorted the couple and radioed to the fire hall to alert the hospital. Attendants there had emergency equipment ready and the marble was removed.

Overwhelming Vote Downs Proposals; To Cut City Budget

Laurelhurst Addition Annexation Approved

Two of three proposals submitted to Medford area voters at special elections yesterday were overwhelmingly rejected. The third passed by a slim margin.

Voters in Medford turned down a proposed budget increase; voters in the South Medford annexation area turned down an annexation proposal, and voters in the Laurelhurst addition approved, by a 24-to-19 margin, annexation to the city.

The Medford vote was 636 no, 207 yes, on a proposal for a 1955-56 budget \$66,510 over the 6 per cent limitation. The total vote cast was 843 out of an estimated 9,000 or more eligible voters.

Residents of the 3,000 or more acres east, south and west of the city limits rejected annexation by a vote of 518 to 96. The 614 votes cast represented a rather high percentage of the registered voters, according to election officials.

Votes in all three elections will be canvassed at an adjourned city council meeting Saturday noon.

Medford's vote on the budget, by wards was: Ward I, 37 yes, 170 no; Ward II, 37 yes, 228 no; Ward III, 37 yes, 123 no; and Ward IV, 76 yes, 120 no.

To Trim Budget
The vote count by precincts in South Medford was: Precinct 1, 43 yes, 71 no; Precinct 2, 25 yes, 170 no; and Precinct 3, 28 yes, 277 no.

City Manager Robert Duff said the budget will be trimmed of the \$66,510. This will represent about a 10 per cent cut in each department. He said the deletions will limit city services during the year to the minimums now being provided.

The budget included \$34,760 in additions which the citizens' budget committee added because members felt the added expenditures were necessary to maintain presently existing services, and in order "to develop programs deemed necessary for the progress of the city."

Duff said he hopes to be able to submit a revised budget to the council by Saturday. It must be filed with the county assessor not later than July 15.

Studied by Planners
The annexation proposal for the South Medford area was submitted to residents after several months of consideration by the planning commission and city council. The area, to which city services would have been extended if the proposal was passed, would have more than doubled the size of the city.

While there are no official plans for any immediate new annexation proposals, some of the opponents to the "mass annexation" today expressed the opinion that a joint committee, representing the city and areas to the south, be set up to discuss the next step.

Frank Van Dyke, attorney who represented a group which was opposed to the large annexation proposal, said some of his clients feel that less ambitious plans to join portions of the area to the city should be worked out cooperatively.

One of the objections to the defeated proposal was that residents had not been consulted in advance, he said, and that their needs had not been taken into consideration.

Weather
FORECAST: Considerable cloudiness through Thursday. Low tonight 48. High Thursday 75.

Highest Yesterday 66
Lowest this Morning 47

FPC Urged To Act Quickly On Idaho Power Request

Washington—(U.P.)—An attorney for the Idaho Power Co. urged the Federal Power Commission today to act quickly on the company's application for permission to build three dams in Hells Canyon.

Attorney R. P. Parry said a power shortage in the company's service area which was "prognosticated" when hearings on the application started two years ago "now is a reality."

But Mrs. Evelyn N. Cooper, an attorney for public power groups, said the "limited plan of development" proposed by the company "will destroy forever the full development of a great natural resource."

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