

Steel Contract Rejected

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INSIDE TODAY
Sports news appears on pages 9, 10, 11, 12 and 13 of today's Mail Tribune. Locals and Personals are on page 15.

Union President Calls Proposal Wholly Inadequate

New York—(U.P.)—The United Steelworkers today angrily rejected a contract offer from the steel industry's big three.

David J. McDonald, president of the union, said the companies' counter offer to the union's demands was entirely "inadequate."

"The industry offer is too little, too late and too long," McDonald said.

Five Cents Offered

McDonald said the companies have offered the steelworkers a take-home pay increase of five cents an hour and "no mathematical juggling" can obscure that figure.

Industry sources had expected the Wage Policy committee to reject the companies' initial reply to the union's basic contract demands.

However, both sides expressed optimism that a new contract would be signed well before the June 30 strike deadline, possibly as early as this Sunday.

U.S. Steel, Bethlehem Steel and Republic Steel have offered the union's 650,000 basic steelworkers a package increase approaching 15 cents an hour, including a wage hike, a form of guaranteed wage and other fringe benefits.

Seeking 25-Cent Package

The union was reported looking for a package offer of around 25 cents an hour. The experts predicted union and management would get together around the 20-cent mark.

A 20-cent an hour package increase would cost the industry about \$300 million a year and probably would preface a \$10 to \$11 a ton price increase.

The companies felt their package offer was "substantial enough" to warrant hopes that a new contract will be written long before the strike deadline. McDonald has been aiming at a settlement by June 17.

Industry spokesmen said the booming production pace being maintained by the industry this year mitigates against a strike in 1956.

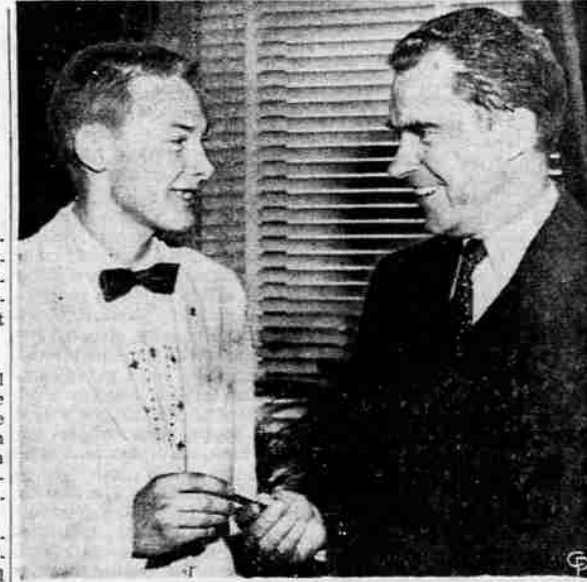
There was little speculation here on how receptive the union would be to a long-term contract calling for annual wage increases based on some type of productivity formula.

Have Final Say

McDonald was reported saying he would accept a long-term pact if the companies made it "sweet enough."

The wage-policy committee is made up of the rank and file of the union's membership. They have the final say on whether to accept or reject any proposal.

A peaceful settlement in the steel industry this year would avoid a costly strike that could upset the economic apple cart in 1956.



SIGHTSEEING IN CAPITOL, Charles Knecht (left), Newark, N. J., named "Boy of the Year" by Boys Clubs of America, is presented pen by Vice President Richard Nixon during visit to Nixon's office. (International)

Major County Jobs Nearer Actuality With Senate Action

Talent Project Funds Included in Works Bill

Washington—(U.P.)—The administration's public works bill by the Senate yesterday, two major Jackson county projects were a step closer to actuality.

The Talent irrigation-reclamation-power project has an initial appropriation of \$2,400,000 in the bill, and another item is for \$208,000 for construction of fish screens at Savage Rapids dam.

The bill, in slightly different forms, has been passed by both the House and the Senate, and has been referred to a House-Senate conference committee where the differences will be adjusted. It will then be repassed by both houses and sent to the President for signature. The appropriations will become available for the next fiscal year, which starts July 1.

Bids Called

Bids have been called for several phases of the Talent work, mostly on tunnels and canals in the Green Springs area. But contracts cannot be awarded nor construction started until the money becomes available, and until landowners in the Talent Irrigation district approve a repayment contract between the TID and the bureau of reclamation, which will do the work.

The contract is now in the final stages of negotiation, with only a few points still to be worked out to the satisfaction of the bureau and the board of directors of the Talent district. It is hoped this can be accomplished soon, with an election on the contract to be held shortly thereafter.

Persons Suspended In Non-Sensitive Jobs Ordered Back

Washington—(U.P.)—Attorney General Herbert Brownell Jr. today ordered that all government workers in non-sensitive positions who were suspended as security risks be restored to duty immediately.

Brownell said there are 17 such employees currently under suspension.

The action was taken to comply with a Supreme Court decision last Monday that the security law applied only to persons in "sensitive" government jobs.

All Departments Advised

Brownell's directive said all departments and agencies have been advised that any employee holding a non-sensitive position and presently under suspension in pending civilian employee security proceedings should be restored to duty immediately.

Additionally, it said, the agencies were advised that, pending further study "no removal proceeding should be commenced against any employee in a non-sensitive position."

The court's decision was handed down in the case of Kendrick M. Cole, a New York food and drug inspector who was fired in 1954 by former Welfare Secretary Oveta Culp Hobby.

The present security system, providing for the dismissal of security risks, was established in 1950 by a law which originally named 11 key government agencies, including the State and Defense departments.

Extended in 1953

It was extended to all federal workers in 1953 by the Eisenhower administration.

The court held that Cole's job as food and drug inspector could not be considered one of "national security." It said Congress had intended the law to apply only in such cases.

Nearly half of the government's 2,300,000 employees were removed from the security program by the decision. The remaining 1,000,000 employees work in departments and agencies specifically listed as sensitive in the 1950 statute.

Trailways Starts Service to Crater Lake National Park

Trailways bus lines today started daily service between Medford and Bend through Crater Lake National Park.

The bus leaves the Trailways depot here at 7:20 a.m. and the Medford Greyhound depot at 7:30 a.m. daily and arrives at Crater Lake lodge at 9:30 a.m. Stops are made at intermediate points of Eagle Point, Shady Cove, Trail, McLeod, Prospect, Union Creek and Annie Spring camp.

The bus from Bend leaves Crater Lake at 4 p.m. and arrives in Medford at 6 p.m. daily. Connections are available at Bend for cross country schedules.

William Niskanen, vice president and general manager of Pacific Trailways, said eight passengers boarded the bus for Crater Lake today with three of them going to the lake.

The company has published a schedule folder for through bus service between Dallas, Texas, and Portland and between St. Louis and Portland with a picture of Crater Lake on the cover. Other pictures of the Pacific northwest also are featured.

Niskanen said 100,000 of the folders will be distributed throughout the country.

Another folder published by Trailways gives a brief history of the Lake and legends connected with it, as well as several pictures. The folder also includes transportation service to the park, and accommodations available.

Trailways bus service will be effective through the park between June 13 and Sept. 15, Niskanen said.

Lions Clubs Set Convention Here

The state Lions club convention for 1957 will be held in Medford June 20-22. It was decided at the convention in Portland recently. About 1,200 delegates are expected to attend.

Eleven Medford Lions' club members attended the convention. They were Alva Perkins, outgoing president of the Medford club, Leland Knox, Larry Neely, Alan Jewett, Joe Pecella, Bob Dames, Joe Tomjack, Tom Flynn, Ken Campbell, Dr. Lee Mellish, elected chairman for the 1957 convention; Herb and Herb Seitz, elected new president for the Medford Lions club.

Through Mellish's efforts the convention delegates ratified the proposal to hold the 1957 convention in Medford. He was assisted with letters and wires from the tourist and convention committee of the Jackson County Chamber of Commerce and from Mayor Earl Miller.

Wayne Morse, Wife Set Medford Visit

Sen. and Mrs. Wayne L. Morse will be in Medford briefly Sunday, en route to a Democratic party picnic in the Illinois valley. It was reported today.

Oregon's senior senator and his wife are to arrive at the Medford airport at 10:33 a.m. Sunday, and will be met by a number of local Democratic party members. They will be driven to Camp Grayback by Mr. and Mrs. Moore Hamilton where Senator Morse will speak at 2 p.m. at the picnic of the Illinois Valley Democratic club.

The group will return in the evening, and the Morses will leave for Washington at 6:07 p.m. via West Coast air lines.

Robert Boyer, chairman of the Jackson County Democratic Central committee, said that anyone interested would be welcome to greet Senator and Mrs. Morse, and to attend the picnic.

Speedy Action Seen On Civil Rights Bill

Washington—(U.P.)—Backers of President Eisenhower's omnibus civil rights bill felt certain today the measure would get speedy passage by the House.

But there were no predictions it would get through the Senate.

Backers felt the main House roadblock was cleared Thursday when the rules committee, in an open revolt against chairman Howard W. Smith (D-Va.), set down the bill for a committee vote next Thursday.

It was expected the rules group at that time will clear the bill to the House.

It was expected to pass the House without too much trouble. But, like civil rights bills before it, Mr. Eisenhower's measure may die in the Senate.

Southern senators have said if it is necessary they will filibuster to stop it.

Amarillo, Tex.—(U.P.)—Louis Michael Stojan, sought by the FBI as a material witness in an Arizona bank robbery was arrested Thursday and has been identified as the bandit who robbed an Amarillo finance company.

Promotion Program For Pears Discussed

Charles King, New York representative of the Oregon-Washington-California Pear bureau, told members of the Rogue River Valley Traffic association last night that the 1955 promotion program was successful in maintaining substantial movement of fresh pears through the marketing season.

King noted that the program had a tendency of stabilizing the pear industry. He said new methods of packaging and merchandising, along with point of sale advertising, has increased domestic consumption and increased the outlook for the export market.

Prospects are for a large pear crop this year since there has been no damage to the crop thus far, he said. He estimated about 450,000 tons of bartlett pears and about 4 1/2 million boxes of winter pears would be produced in the Pacific coast region this year. Of the total amount, about 30 per cent is produced in the Rogue valley.

Conditions of Scouts Reported Improved

General conditions of the two Medford Boy Scouts injured in a fall Sunday while making a hike with other members of Troop 9 near Silver falls in the lower Illinois river area, are reported greatly improved today.

Tom Turpin, son of Mr. and Mrs. V. A. Turpin, 3533 Jacksonville highway, who suffered concussion and other injuries, was unconscious for a time after the accident. He has regained consciousness since the first of the week, according to a report from Community hospital, where both are patients.

Bruce Blachly, son of Mrs. Ben Blachly, 1121 Spring st., received leg and arm fractures.

Argentina Arrests Labor Agitators

Buenos Aires, Argentina—(U.P.)—The government arrested scores of labor agitators today for causing new disorders at La Plata, scene of the bitterest fighting in Sunday's abortive counter-revolution by Peronist sympathizers.

The disorders broke out soon after a gang of vigilantes armed with machineguns raided the residence of the Haitian ambassador in Buenos Aires and captured former Gen. Raul Tanco, one of the leaders of Sunday's revolt.

New York—(U.P.)—French Foreign Minister Christian Pineau has arrived by plane for Atlantic alliance talks with President Eisenhower and Secretary of State John Foster Dulles.



Ike To Meet Nixon Monday; Listens To Some Favorite Music

Washington—(U.P.)—A cheerful President Eisenhower listened to some of his favorite music and read two news magazines today following the "most optimistic" report yet on his recovery from his operation.

Mr. Eisenhower, in another indication of his continuing improvement, also scheduled his first meeting with Vice President Richard M. Nixon for Monday. He also will see Secretary of State John Foster Dulles then.

A 12:45 p.m. (EDT) medical bulletin reported for the first time that the activity of the President's intestinal tract "has been restored." The intestines have been inactive since Mr. Eisenhower underwent major surgery last Saturday for an intestinal obstruction.

Asks for Music

It said his condition is "very satisfactory." The liquid feeding by mouth is continuing, the bulletin said, and the President sat in his easy chair for about half an hour.

In addition, it said, he took his regular walking exercises and transacted some official business.

White House Press Secretary James C. Hagerty told newsmen Mr. Eisenhower heard some music for the first time. The President, he said, asked that operas, waltzes and band music be played by a local station which installed a line directly to his room in ward 8 of Walter Reed Army Medical center.

The President, he said, also read two news magazines.

Newsmen pressed Hagerty for comment on reports that Mr. Eisenhower might announce from the hospital whether he still intends to run for a second term.

No Political Talk

With some irritation, Hagerty insisted that Mr. Eisenhower has not talked politics with any of his aides and that he, Hagerty, did not intend to raise the question while the President is in the hospital.

"I thought I made it very

Employees of Oregon Schools at Four-Day Workshop in Medford

About 245 building service employees of Oregon schools are in Medford from throughout the state to attend a four-day convention and workshop. Sessions are being held at Medford high school. R. E. Wicker of Medford is program chairman.

A banquet will be held tonight at the high school cafeteria when Winston D. Purvine, director of Oregon Technical institute, Klamath Falls, will be main speaker.

During the convention various groups are making sight seeing trips of the valley.

Red China Releases Two American Priests

Hong Kong—(U.P.)—Red China released two American Jesuit priests from prison today at the expiration of their sentences for alleged espionage, Radio Peiping reported.

The announcement quoted a New China news agency dispatch. It gave no indication when they would leave China. It said only:

"Two American offenders, William M. Clifford and Thomas Leonard Phillips, who completed their prison terms on June 15, were released by the authorities today."

Earlier reports from Shanghai said the two American priests were taken on a "tour" of Communist China by Red Chinese authorities.

Medford National Guardsmen Will Leave For Two Weeks Summer Training Tonight

About 200 Medford National Guardsmen from HQ and HQ Company and Company A, both of the 1st battalion, 186th infantry regiment of the 41st division, will leave by train at 12:01 a.m. Saturday for two weeks summer encampment at Ft. Lewis, Wash.

Formations will be held at the army about 6 p.m. and 8 p.m. today for final instructions and to pack footlockers. The Guardsmen will be dismissed about 8 p.m. and will return to prepare to board the train at 11 p.m.

Medford units will be stationed in the northeast sections of

Federal Court Holds Night Session Here

A federal court session was held last night in an effort to complete the government's case against Noble C. Standley, James Adamek and Wilbur Merchen of Standley Brothers Logging company, Powers, in the post office building here. They are charged with tax evasion.

Court recessed at noon today with cross examination of Walter Sanders, of Portland, special agent for the internal revenue bureau. Sanders, qualified by the court this morning as an expert witness in accounting, is testifying in support of his audit of the Standley Brothers business.

The government is expected to complete its case today, according to government officials. The trial is expected to end Tuesday, officials said. There will be no court session Saturday or Sunday.

Subway Motormen Suspended for Strike

New York—(U.P.)—The New York Transit Authority today suspended 27 men who participated in Thursday's wildcat strike of subway motormen despite union threats to paralyze transportation again if disciplinary action was taken.

However, the transit authority reported that subway service was "100 per cent on schedule" this morning for the city's 4,500,000 riders from Brooklyn, the Bronx and Queens.

Coffee Prices Due To Go Higher in Salem

Salem—(U.P.)—A retail coffee price increase of about three cents within the next two weeks was foreseen here today by George Roth, vice president of Willamette Grocery company.

Roth said wholesale prices on several popular coffee brands went up about three cents this week. The new top wholesale list price will be \$1.04 on popular brands.

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Late News Briefs

SUIT DISMISSED
Portland—(U.P.)—A suit brought by the operator of a baby shop challenging Portland's anti-pinball ordinance was dismissed today by Circuit Judge James R. Bain.

The operator, Hazel Newbill, had contended the ordinance outlawed certain toys which she sold at her shop. The judge said he failed to see where the toys came under the provisions of the ordinance.

PAY BOOST WON
Portland—(U.P.)—AFL-CIO bakery and dairy store clerks here have won a 13 1/2 cent hourly pay boost in negotiations with Food Employers, Inc., it was reported today.

PLEADS GUILTY
Roseburg—(U.P.)—Elmer G. Baldwin, local attorney, today pleaded guilty to an embezzlement charge and was sentenced to a maximum of three years imprisonment by Circuit Judge Carl E. Wimberley.

Residents Reminded Not to Pick Up Fawns

The state police game officer for this area has reminded residents not to pick up fawns found alone in the woods.

Picking up fawns which appear to be abandoned is against the law, the officer stated, and often the mother doe is in a nearby concealed place. Does often leave their fawns while browsing, but eventually return to them.

It was pointed out that sometimes a doe will refuse to take back a fawn that has been touched by humans, even if it has been released.

The officer also explained that loss of a nursing fawn can have damaging effects on a doe's health.

Train Hits Car; Car Hits Woman

Salem—(U.P.)—A Salem school-teacher escaped serious injury yesterday when she was struck by her own car which had stalled on the Southern Pacific main line as the Shasta daylight passenger train approached.

The train struck the car and knocked it into fleeing Marjorie Nelson. The impact knocked the woman to the ground, but she apparently suffered only minor shock. The train was traveling slowly and did not damage the car extensively.

Weather

FORECAST: Cloudy tonight with occasional light rain. Saturday, brief sunshine between showers. Low tonight 48, high Saturday 63 to 65.

Highest Yesterday	Temp.
Lowest this Morning	47

Our Skies Tonight

Sunrise	4:34 a.m.
Sunset	7:50 p.m.
Moonset Saturday	11:22 a.m.
Full Moon	June 22

VISIBLE PLANETS
Venus, sets shortly after sunset. Jupiter, in the west—9:24 p.m. Saturn, due south—10:17 p.m. Mars, rises—11:21 a.m. and is now less than 67 million miles from the Earth.

Bonded Indebtedness of County Schools Decreases

Outstanding bonded indebtedness of county schools for fiscal year 1956-57 has dropped instead of climbed for the first time since 1950-51, Karl Janouch, county treasurer, reported today.

Janouch said outstanding bonded indebtedness for 1956-57 is \$5,434,250 as compared with \$5,882,750 in 1954-55; \$5,882,750 in 1955-56 and \$5,434,250 in 1956-57.

He said the decrease is largely due to \$685,859.07 in O and C surplus funds given schools by the county court for bond redemption purposes.

Ashland District 8 called in approximately \$188,000 worth of bonds due between Jan. 1, 1957, and Jan. 1, 1959. Shady Cove district 89 and Talent District 22 called in bonds of lesser amounts, Janouch explained.

The treasurer listed outstanding bonded indebtedness figures from 1952-53 through 1956-57 as \$2,954,500 in 1952-53; \$3,874,500 in 1953-54; \$4,594,000 in 1954-55; \$5,882,750 in 1955-56 and \$5,434,250 in 1956-57.

Outstanding bonded indebtedness in 1950-51 showed a decrease of \$23,500 as compared with the previous fiscal year, the treasurer said.