

PORTLAND RACKETS STORIES CONFLICT

Israel Reported Ready To Evacuate Aqaba

Hitch Develops In Negotiations With Hammarskjold

United States Hopes To Solve New Impasse

By UNITED PRESS
Israel was reported ready today to evacuate its positions along the Gulf of Aqaba, but a hitch developed in negotiations between Israeli Ambassador Abba Eban and UN Secretary-general Dag Hammarskjold over the Gaza Strip.

The United States hoped to solve the new impasse today by introducing a resolution in the UN General Assembly calling for UN control of both the Gaza Strip and the Israeli-held area along the Aqaba Gulf.

Warning in Clause
The resolution would omit any direct call for sanctions against Israel, but the draft of the resolution was understood to carry a carefully worded clause warning that the Assembly would consider sanctions if Israel persisted in its refusal to quit Egyptian territory.

Eban, who broke off his talks Tuesday with Hammarskjold and rushed to Washington for a 90-minute conference with Secretary of State John Foster Dulles, was expected to see Hammarskjold again today in New York.

Israeli sources said that Hammarskjold's "legal niceties" were blocking a Gaza settlement. They defined these "legal niceties" as Hammarskjold's insistence that the 1949 armistice agreement ending the Palestine war provided for Egyptian occupation of the Gaza Strip and that he could do nothing about it.

Cites Fedayeen Raids
Israel's position was that it will not give Egypt control of the disputed territory because of the long series of Egyptian Fedayeen raids launched on Israel from the strip in violation of the armistice agreement.

Israel has insisted on guarantees against such attacks and guarantees of free passage in the Gulf of Aqaba before giving up control of the area. Egypt used the Sharm el Sheikh area to blockade Israeli shipping in the Gulf of Aqaba.

Valley Has Early Season Thunderstorm
An early season thunderstorm yesterday evening was a weather feature for the valley.

Thunder and lightning were noted after 6 p.m. mainly in the hills to the northwest, although one flash of lightning was seen to the southwest about that time. The storm moved to the east.

Little rain was recorded at the weather station at the airport at the time although precipitation totaled .87 of an inch for the day yesterday.

A weather bureau spokesman said that the thunderstorm was a bit early in the season but not unusual for this late in February. Such weather is more likely in March or April, it was pointed out.

Weather bureau officials said the Rogue river crested at 14.8 feet at Grants Pass late yesterday afternoon. Flood stage there is about 17 feet. Streams were expected to continue receding, they added.

Washington — (U.P.) — Sen. Richard L. Neuberger, (D-Ore.), has been appointed to the Franklin D. Roosevelt Memorial Commission which directs commemoration of the late president.

Area Students to Attend Model UN General Assembly
Fourteen Medford High school students will attend a plenary session of the model United Nations general assembly during the annual Oregon high school International Relations League conference Friday at the University of Oregon.

Medford High delegates will be Eddie Albright, Ken Arnold, Jim Boyd, Kaye Christian, Bill Frake, Sue Gray, Tim Hiller, Donna Lou Henson, Harold O'Connors, Dianna Russell, Dick Corum, Henry Harbert, Nancy Wilson and exchange student John Hansen.



CITATION AWARDED—A citation for meritorious service for employment of the physically handicapped was awarded to the Veterans' Administration Domiciliary at Camp White at a Rotary club luncheon in the Jackson hotel Tuesday. E. K. Ricker, left, Domiciliary manager, received the citation from Richard Smurthwaite of the U.S. department of labor, who was acting on behalf of the governor of the state of Oregon and the president of the United States. The award was made because of the large number of disabled employees hired by the domiciliary, which range from double amputees to blind persons, who otherwise would have difficulty finding employment. The citation was signed by Governor Holmes and Melvin J. Maas, U.S. Marine Corps, ret.

Prospect School to Discuss Special Tax

Prospect—Registered voters in the Prospect school district have been urged to attend a public meeting here Monday to discuss feasibility of levying a special tax to increase salaries of Prospect school teachers.

The meeting will be held at 8 p.m. Monday, March 4, at Prospect High school. Members of the Prospect school board met with a local citizen's committee earlier this week to discuss the possibilities of a special tax. The public meeting was set to determine "feelings of citizens" in the school district on the matter, according to Kenneth Vannice, superintendent of Prospect schools.

Vannice explained Prospect schools have had a problem for several years in providing incentive for teachers to come here. Since Prospect is far from a metropolitan area it is at a disadvantage in competing with Medford area schools for teachers, he added.

The proposed plan would increase taxes in the school district about one mill annually, Vannice said. The school superintendent pointed out teachers for the 1957-58 school year are to be retained in March and there is a possibility of losing some during the "turn-over."

There are now 11 elementary and seven high school teachers in the district. The tax levy would increase wages for teachers in both the elementary and high school, according to Vannice.

Present salary schedule for Prospect teachers is similar to or the same as that of Medford area teachers, he reported.

Suit Asks Damages Against Grants Pass
Portland — (U.P.) — A suit asking damages against the city of Grants Pass and the California and Oregon Coast railroad was taken under advisement here yesterday by Federal District Judge Gus L. Solomon.

The suit, brought by the S. H. & W. Lumber company, the Chapman Lumber company and John Bakshas, asked damages for abandonment of the 2½-mile railroad without permission.

The Interstate Commerce Commission permission for abandonment of the line became effective Monday. The plaintiffs contend they are due damages for extra costs they incurred while the rail line was inoperative and before permission for abandonment was granted.

The line was built 40 years ago and went into receivership in 1925 and was abandoned in October, 1954.

South Santiam Highway Closed Due To Slide
Salem — (U.P.) — The South Santiam highway is closed 4½ miles east of Mountain house, due to a slide, the State Highway Department reported today.

The Central Oregon highway was closed in the Juntura-Vale section. The Old Oregon Trail highway remained closed at the bridge across the Malheur river.

Ike, Mollet Agree To Oppose Cuts In NATO Forces

Need for Defense Against Russia Seen

Washington — (U.P.) — President Eisenhower and French Premier Guy Mollet have agreed to oppose proposed cuts in NATO forces, informed sources said today.

The sources said the two leaders agreed it is necessary to maintain North Atlantic Treaty Organization strength at present levels at this time because Russia continues to be as great a threat as ever.

European NATO members — particularly Britain — are under considerable pressure at home to cut their NATO commitments as a means of trimming defense expenses.

Final Round Today
The President and Mollet today planned a second and final round of their talks which started Tuesday. Mollet and French Foreign Minister Christian Pierson planned to meet with Secretary of State John Foster Dulles.

Besides current NATO plans for European economic integration, Tuesday's talks covered creation of an atomic energy authority for Europe (Euratom) and the Middle East.

Presidential Press Secretary James C. Hagerty said afterward a good deal of agreement was reached on problems other than the Middle East. He said he could not elaborate on the Middle East crisis.

American officials said later both the United States and France are seeking a solution of Middle East problems without resorting to UN sanctions against Israel.

McMillan Receives Jail Term, Fine In Circuit Court

Carl W. McMillan, 50, of Central Point, was sentenced in circuit court yesterday to six months in county jail, three years on probation and fined \$500 on two charges arising out of an accident last July on Highway 99 near the Mason Ehrmann rd.

The eight-week-old son of Mr. and Mrs. Arthur Hanshaw of Medford was killed when the vehicle McMillan was driving collided with the jeep in which the Hanshaw family was riding.

Circuit Judge Orval Millard of Grants Pass pronounced sentence after McMillan pleaded guilty to negligent homicide, a reduction of an earlier charge. The grand jury last fall returned an indictment charging involuntary manslaughter against him and he was to stand trial on that charge.

Reduction of Charge
District Attorney Thomas Reeder said reduction of the charge was agreed upon by Judge Millard and McMillan's attorney, Edward Kelly. In lieu of a grand jury indictment for the new charge, McMillan pleaded guilty to an order of information presented by Reeder. The district attorney recommending leniency and against sentencing him to the state penitentiary.

The sentence also was on a charge of driving while under the influence of intoxicating liquor in connection with the same accident. He pleaded innocent to the charge but was found guilty by a district court jury last August.

Kelly appealed the case to circuit court and the appeal was granted. A circuit court jury found McMillan guilty of the charge on Feb. 16.

In issuing the three year suspended sentence Judge Millard stipulated that McMillan refrain from drinking intoxicating liquor or the suspended sentence could be revoked. McMillan is married and has five children, three of whom are attending school.

DOW-JONES AVERAGES
New York — (U.P.) — Dow-Jones final stock averages: 30 industrials 466.26, off 1.46; 20 railroads 141.04, up 0.11; 15 utilities 70.33, up 0.05, and 65 stocks 165.03, off 0.24. Sales today were about 1,620,000 shares compared with 1,580,000 shares Tuesday.

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TRIBUNE
United Press—Full Leased Wire
20 MEDFORD, OREGON, WEDNESDAY, FEBRUARY 27, 1957 No. 291

TURNCOAT, 'SOURED' ON SOVIET ACTIONS, BACK IN FREE WORLD

Hong Kong — (U.P.) — American turncoat Samuel D. Hawkins returned to the free world from Red China today, saying Russia's crushing of Hungary soured him on living in a Communist country.

Smiled Broadly
The 24-year-old ex-soldier from Oklahoma City, Okla., who defected to Communist China after his capture during the Korean war, crossed the border into this British colony at 1 p.m. (8 p.m. PST Tuesday).

He was sober faced when met by British, U. S. and Red Cross officials, but smiled broadly when he received newsmen at the Princess hotel an hour later.

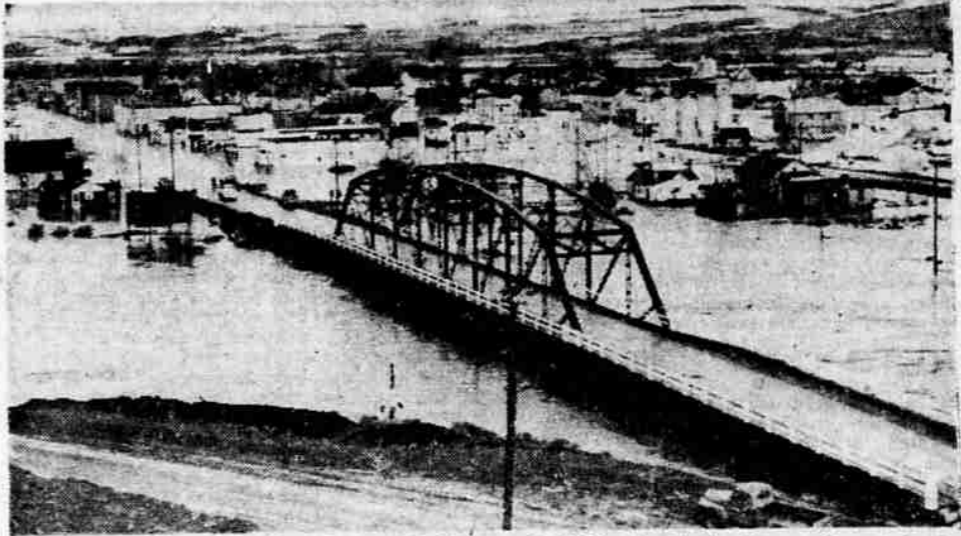
He frankly admitted he was a "turncoat."
Seemed 'Wanton Killing'
Asked why he had left Communist China after three years, Hawkins said:

"Mostly because of the Hungarian situation," he said. "I did not like the way it came about. To me it seemed to be wanton killing by Soviet soldiers."

Hawkins' wife, Tanya, a Russian whom he married in June 1956, did not come with him

because the United States would not guarantee her an entry permit until proper application is made. Unless Hawkins can get her an entry permit to the United States, British authorities will refuse to let her into Hong Kong.

Learned From Radio
Hawkins told inquiring newsmen he had learned of the events in Hungary from radio broadcasts by the British Broadcasting Company the Voice of America and the U. S. armed forces but mostly from Hungarian students in Peiping.



FLOODS HIT EASTERN OREGON — Early spring thaws sent flood waters raging through eastern Oregon rivers. Here the usually placid Malheur river overflows into the southern

end of Vale. Hundreds of acres of ranch land have been covered with water up to five feet deep killing more than 100 cattle and scores of sheep.

Holmes May Request Disaster Rating for Eastern Oregon

By UNITED PRESS
Gov. Robert Holmes said today he may ask that parts of eastern Oregon be declared flood disaster areas as the region counted up the damage from unseasonal freshets.

Holmes said Maylor Scott, state civil defense operations officer, and Federal Civil Defense Administrator Paul Spaeth of Seattle would go to eastern Oregon today for a flood-damage survey.

There was no over-all damage estimate available from hard hit areas around Vale, Baker and Enterprise but officials expected it to run high.

An Ontario official, City Superintendent Herbert L. Derrick, said Malheur county damage might be figured in the millions.

The Weiser river in Idaho was causing concern today as it surrounded some 36 homes along its banks at Weiser, just across the Oregon border. But it was not expected the main portion of the town would be flooded.

A few persons there remained out of their homes last night. Damaged highways and communications interfered with mop-up operations in the Vale area, hardest hit by the flooding. Health authorities were on hand to offer any help to local authorities.

Streams in eastern Oregon had gone down although water still stood in some areas. Holmes sent a telegram to President Eisenhower saying "I may need to ask you to declare this a disaster area, depending on a more thorough review of the situation."

Espey Is Nominated To Marine Academy

David Laurence Espey, son of Mr. and Mrs. Laurence V. Espey, 619 Park ave., a senior at St. Mary's High school, is one of 10 Oregon youths nominated to the United States Merchant Marine Academy at Kings Point, N. Y., by Sen. Richard L. Neuberger.

This is the first year members of Congress have had the opportunity of naming young men to the Merchant Marine Academy, Senator Neuberger said. It is one of five federal service academies which prepares young men to become officers.

The Merchant Marine academy is an accredited four year, degree granting college, Senator Neuberger noted, and nominations are based on merit from scores obtained from the United States Civil Service designation examination.

Police Report Woman Threatened Boy

Mrs. Buelah D. Jackson, 420 Marie st., Medford, reported Tuesday that a middle-aged woman threatened her young son with a kitchen knife after he and a neighbor boy had been playing with a dog in an alley behind the Jackson residence yesterday, according to Medford police.

Wayne Grant Jackson, 8, told his mother a woman, about 50, caught him after a chase in the alley, police said, according to Mrs. Jackson the boys were playing with a neighbor dog when the woman approached them with the knife in his face and told him she would "cut his throat" if she ever caught him playing with a dog in that manner again, police said. The boy indicated he was not being cruel to the dog, police reported.

Daughter's Birth Causes Excitement In Fred Dornan Home

Birth of a daughter, Julie Ann, was the cause for excitement this morning at the home of Mr. and Mrs. Fred Dornan, 1410½ West 10th street.

The Dornans planned to go to Sacred Heart hospital when it appeared the girl's arrival was near. But Julie didn't give them a chance to get on their way and the youngster was born at home. Dornan did what he could to assist with the arrival and to keep his wife and new daughter warm. The doctor arrived about 10 minutes later.

Mother and daughter then were taken to the hospital. The girl, who weighed eight pounds, is the second child of the Dornans, who have lived here since last August. They have a son, Graham, 14 months old.

Dornan is an assistant golf professional at Rogue Valley Country club.

Elkins, Seattle Woman Differ on Vice Plans Story

Senate Committee Investigates Charges

Washington — (U.P.) — A drawing western racketeer and a middle-aged madam gave Senate investigators clashing testimony today over a reported plan to open a string of bawdy houses in Portland, Ore.

The racketeer, James B. Elkins, said the plan was cooked up by Joseph McLaughlin and Thomas E. Maloney, two Seattle racketeers whom he said were dispatched by a high official of the Teamsters Union to take over vice and gambling in Portland.

The madam, Ann Thompson of Seattle, said the plan originated with Elkins as far as she knew. But she also said Elkins "discouraged her" so much that she gave up the idea. She said no one mentioned to her any plan for the union to share in profits of the proposed houses.

They testified before the Senate Rackets committee which is investigating charges that the Teamsters Union, gamblers, and the district attorney formed an unholy alliance to entrench racketeering in Portland.

Sensational Testimony
Elkins, a tough slow-talking Texan with a record of shooting arrests in Arizona and Oregon, said he participated in the alliance but finally got fed up. Now he was matter of factly giving some of the most sensational testimony heard in the ornate Senate caucus room since the famous crime investigations of 1950-51.

In quick succession today's session produced:
1. A dramatic announcement that Elkins' older brother Carl, a Phoenix businessman, had received telephone warnings that the witness had better "shut up."

2. Testimony by the witness himself that Frank W. Brewster, teamsters vice president and a head of the union's Western conference, had personally threatened him with death if Elkins "embarrassed" Brewster's "boys." The witness said he had received other death threats. Quietly he said: "I know they're going to do something to me."

Once Was Beautiful
Miss Thompson, a tall, gray-haired woman who obviously was a beauty in her youth, provided the first challenge to Elkins' detailed testimony. She shielded her face with a black purse until Committee Chairman John L. McClellan (D-Ark.), ordered photographers not to take her picture.

Elkins testified that Maloney and McLaughlin had him meet Miss Thompson at the airport when she came from her home in Seattle to discuss opening call houses in Portland.

Elkins said he quickly told the madam that "I couldn't do her any good."

He said several weeks later she called him, returned to Portland, and he saw her in a hotel, he quoted her as saying: "I don't want to operate. I want you to tell Maloney and his people I was here and talked to you, but we couldn't get together."

Tells Different Story
"She said she couldn't operate one or two or three places on the small percentage she'd get," he continued. "If she had a whole hatful of places, she might make it."

Miss Thompson told a different story of her trips to Portland. She said Maloney met her in Seattle and "asked me to call Jimmy Elkins. He said, 'Jim Elkins... had something interesting for you.'"

She said it was Elkins who invited her to Portland. But once she got there, Elkins gave her no encouragement.

He did not call, she said, so she called him and returned to Portland.
Story Challenged
"He said, 'There is not much we can do,'" Miss Thompson testified. "He was discouraging and talked me out of it."

McClellan challenged her story, asking why Elkins would have asked her to come to Portland only to discourage her. "Ask Jimmy," she said. Committee counsel Robert F. Kennedy commented that Miss Thompson's testimony "corroborated" Elkins' statement that Maloney was the first to contact the bawdy house proprietress.



Weather
FORECAST: Considerable cloudiness tonight, becoming partly cloudy Thursday with chance of a few showers. Low tonight 43. High Thursday 58.
Temp.
Highest Yesterday 63
Lowest this Morning 43
Prec. to 4:30 a.m. Today .47

Our Skies Tonight
Sunset 6:51 a.m.
Sunrise 6:58 p.m.
Moonrise Thursday 6:00 a.m.
New Moon March 1
PROMINENT STAR Betelgeuse, high in south 7:36 p.m.
VISIBLE PLANETS Mars, in west 9:19 p.m.
Jupiter, high in south-east 11:29 p.m.
Saturn, low in south-east 3:21 a.m.