

BEN-GURION HURT BY EXPLOSION

Holmes' Tax Plans Sent To Committee

Public Hearings Under Way on Two Reduction Bills

Labor Representative Among First Witnesses

Salem—The Oregon Legislature was at grips with the tax reduction problem today after two bills embodying the governor's tax plans were introduced and speedily referred to the House Taxation Committee.

Public hearings got under way Monday afternoon at the special legislative session with members of the Senate Taxation Committee sitting in so that testimony would not have to be duplicated in both House and Senate.

House Taxation Chairman Clarence Barton, Coquille Democrat, said he had had numerous requests from persons desiring to appear before the committee and that they would all be granted time.

The governor's two tax bills calling for a straight 10 per cent reduction in personal income taxes and a \$10 per census child boost in basic school aid were rushed to the tax committee when the house voted to suspend its rules to do the job.

Rules Committee 'Tough'
Other legislation may have a hard time getting considered. Rep. Glen Stadler, Eugene Democrat and chairman of the House Rules Committee, said his committee would be "tough." The Senate also bequeathed its rules committee to 10 members—five Republican and five Democrats.

One of the first witnesses before the joint House and Senate tax meeting was Tom Scanlon, representing the Oregon State Labor Council and longshoremen and trainmen.

Scanlon said his organization agreed with Gov. Robert Holmes that some \$50 million of the state's expected \$69 million surplus should be retained by the state so that taxes would not have to be raised in 1959.

But Scanlon was opposed to the governor's request for more school aid, favoring instead the state's picking up the \$10 per census child now provided by county school funds. He said this would provide direct property tax relief at the local level in the quickest fashion.

Sen. Anthony Yturri, Ontario Republican, and Rudie Wilhelm Jr., Portland Republican, questioned Scanlon as to why he was willing to accept a \$10 million surplus when the regular legislative session ended last May, but now thought that a \$50 million surplus was necessary.

Surplus Questioned
Scanlon said that since the Legislature adjourned the state's economic position had worsened and the State Finance Department had been able to furnish a better idea of how much money might be needed during the 1959-61 biennium.

The labor representative also was not optimistic that all of the state's projected \$69 million surplus would materialize. He said that if the tax commission made a study now, it might find revenues reduced.

Tax Commission Chairman S. W. Horn told the committee the state probably would have the \$69 million as of June 30, 1958.

Howard Dietrich, representing the Oregon Society of certified public accountants, asked the committee to consider accelerated or "realistic" depreciation and loss carry-over laws for Oregon as a stimulus to industry.

(See story on page 10)

Planners Recommend Zone Changes in Berrydale Area

About one-third of the Berrydale addition was recommended for zone changes by the Medford planning commission at a meeting last night.

A public hearing on the proposed changes will be held at the Nov. 12 commission meeting. Robert A. Duff, city manager, said the changes recommended were confined to the southern section of the addition which borders Highway 99.

Acting on a petition by several residents in the area, the commission found that a "land-use" study was necessary before reviewing the petition which asked for a zone change of class IA, single family, to class IIA, multiple family.

Duff said the study showed

PLANNERS HEAR OBJECTIONS TO PROPOSED BILL

An overflow crowd of Grange members and others interested attended a meeting of the county planning commission in the courthouse last night, to hear discussions of the proposed subdivision ordinance.

No definite action was taken at the meeting.

But after the discussions, Fred Barber, of the planning consultant firm of Hahn, Wise and Barber, pointed out that no one attending had stated the proposed ordinance should be "thrown out" completely.

Discussion on various points in the ordinance took up more

Hotel Clerk Admits Report of Armed Robbery Was False

Medford police said this morning that Richard Loyd Nelson, 28, Grand hotel night clerk, was arrested on charges of disorderly conduct after he told them his report of an armed holdup Oct. 26 was false.

In a signed statement, Nelson admitted taking the money, placing a gag in his mouth, fashioning a wire clothes hanger around his wrists and then calling police to report an armed holdup, according to Lt. Lyle Perkins. Police said Nelson told them he took the money and then made up the holdup story because he is in debt.

Nelson's report of an armed holdup resulted in alerts to law enforcement agencies in Oregon and northern California, police said. Detective Sgt. Jack Sanders said several roadblocks were established along the California-Oregon state line in an attempt to apprehend a car with California license plates matching the description Nelson gave police.

Police said Nelson was released on his own recognizance to appear in municipal court Wednesday morning.

Thelma McIntyre Is Elections Clerk

Thelma McIntyre, formerly chief photographer in the Jackson county clerk's office, will now be supervisor of the election section in that office, according to Mrs. Bereth P. Hopkins, county clerk.

She replaces Mrs. Eugene Peterson whose husband has been transferred to Portland.

Grace Bohl, formerly assistant photographer is now chief photographer, Mrs. Hopkins said.

Other changes include Orpha Le Schensky, shifting to the county treasurer's office to become chief deputy. She was formerly assistant chief deputy for legal department.

Newly hired for the county clerk's office are Mrs. Wilma Sites, Ho Whitman and Madeline Schnack. Claudine Gibson and Rae Jenkins have been hired to work in the district clerk office.

They replace Lucille Smith, who left to be married and Doreen Straus, who has moved to San Francisco, Calif. Irene Brenner is newly appointed as supervisor of the legal department.

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than an hour, and members of the audience spilled out into the corridor outside the planning office.

While thanking the Grangers who had been invited to attend the meeting, Commission Chairman John Pletsch stated emphatically, "We won't try to put something over" as some rumors have indicated. According to law we must publish a notice in local papers once a week for two consecutive weeks that a public hearing on the ordinance will be held. During the hearing the county court will hear any final objections opposing it and an election would be held later."

Major objections to the proposal seemed to be: (1) it too closely resembles the city ordinance and therefore cannot be applied to rural areas, (2) the restrictions do not allow a person with little money a chance to build a home, (3) the mass of resulting red tape overly delays a property sale, (4) the sanitation regulations in the proposal places too much authority in the hands of the public health officer, and (5) some of the provisions place too great a burden on the few men in the Jackson county court.

'Restraint of Trade'

One objector to the ordinance, Henry Conger, of Ross lane, Medford, remarked that the ordinance would act in "restraint of trade."

"I'm going to subdivide the land and cut it up any darned way I please. The title I have from the United States government allows me to. I don't have to have someone come in and re-survey my land before I sell it if I don't want to."

Chairman Pletsch said the question of survey was not the point being discussed.

Maurice Davies, Eagle Point, president of the Jackson County Farm Bureau, said the ordinance should be strong enough to prevent formation of semi-slum areas. Two or three main objectives he said are that the sewer requirements are impractical, paved streets too expensive for smaller acreage tracts and the bond required of a subdivider a "little high."

One member of the audience suggested that the county subdivision ordinance include a map of soil types in the county and types of septic tanks be suggested for soil varieties.

The section which states "Only areas which can be economically served can be developed" does not provide adequately for the future of some areas, another person pointed out. The Bear Creek area is well built up today but in 1910 it could not be served economically, he said. Also, he said, a lot of needless expense is forced on the subdivider, according to the proposal. For example, "there is no sense in putting concrete monuments every 500 feet," he pointed out.

Foster Luce, Live Oak Grange, Rogue River, commented, "How can you lift the city planning ordinance and apply it to the county. Rural areas have different problems."

The planning consultant answered that the ordinance can be revised so a "set of double standards for city and county can be included." This he added could be worked out with the Granges and the city.

Charlie Hoover, 2905 Gregory rd., and other farmers remarked, "A man has to have a starting place." When a man is starting to accumulate property, often he has no choice but to live in a shack. There should be no objections if the place is kept neat and clean, he intimated.

Another commented that too much red tape tends to drive away a buyer. Many retired Californians are moving to the valley to live, he explained, red tape should not be allowed to drive them away since they are an asset to the county.

A man, who lives just outside the city, stated that such an ordinance should have been in effect 10 years ago. Haphazard location of houses in his area would make it almost impossible to put through streets in at many locations, he illustrated.

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Year
MEDFORD TRIBUNE
United Press—Full Leased Wire
16 Pages
MEDFORD, OREGON, TUESDAY, OCTOBER 29, 1957
No. 162
Price 10 Cents

Eight Taxation Bills Introduced At Legislature

Real Tax Relief Seen by Wilhelm

Salem — The House Rules Committee today killed all but three tax reduction bills sent to it by the House for approval.

Three bills, House bills 5, 8, and 10 introduced by a group of Republicans and Democrats today will be sent back to the House for further consideration and thence to the tax committee.

Salem — Eight taxation bills were introduced by a group of Republicans and Democrats today, accompanied by a statement by Sen. Rudie Wilhelm Jr., Portland Republican, that the proposed legislation "will give Oregon taxpayers real tax relief prudently in light of our surplus."

The key bill reduces tax rates so that the first taxable income would be at the rate of three per cent rather than four per cent with a maximum of 10 per cent rather than 11.6 per cent. Sponsors of this bill were Reps. Allen Tom, Rufus, Eddie Ahrens, Turner, Carl Francis, Dayton, and Wilhelm, all Republicans.

Wilhelm said this bill would give over 15 per cent reduction to taxpayers on their 1957 and 1958 and future income and would reduce the surplus by about \$28 million for each biennium.

Another bill would reduce corporation excise taxes from six to five per cent and would, in Wilhelm's words, "put Oregon in a comparatively good relationship to California, which has a four per cent rate, but a sales tax in addition."

Double exemption to those 65 years of age or older on their state income tax is sponsored by Sens. Ben Musa, The Dalles, Democrat; Wilhelm; Francis Ziegler, Corvallis Republican; and Reps. Katherine Musa, The Dalles Democrat; and Joe Rogers, Independence Republican.

Four other bills introduced by both Democrats and Republicans would allow federal depreciation schedules on state returns and carry forward of business losses for both personal income tax and corporations. These bills were passed in the Senate in the regular session but were defeated in the House.

Wilhelm said the entire eight bills would considerably improve Oregon's personal and corporation tax structures, and provide real tax relief, and, at the same time, leave a sizeable cushion of surplus funds for the 1959 Legislature to use in the event of a slight recession in the state.

Among those signing some of the bills introduced by Sen. Wilhelm, but not all, were: Democratic Sens. Harry Boivin, Klamath Falls, and Ben Musa, The Dalles, and Reps. Katherine Musa, The Dalles, and John Kerbow, Klamath Falls.

Republicans signing some, but not all, were: Sens. Philip Lowry, Medford; Lee Ohmart, Salem; Francis Ziegler, Corvallis, Carl Francis, Dayton, and Reps. Fayette Bristol, Grants Pass; Wayne Giesy, Monroe; Joe Rogers, Independence; Shirley Field, Portland; Allen Tom, Rufus; and Eddie Ahrens, Turner.

Job Due Zhukov, Khrushchev Claims

Moscow — Soviet Communist party chieftain Nikita Khrushchev said today that Marshal Georgi Zhukov, deposed as defense minister, will soon get a new job corresponding to his "experience and qualifications."

Speaking to newsmen at a recent reception in the Turkish Embassy, he said: "I saw Zhukov today. I spoke to him."

"He was in good health. We have not decided on a new job for him yet. But he will have one in keeping with his experience and qualifications."

"But you will not hear about it tonight."

U. S. Must Be Alert, Sec. Dulles Declares

"You Don't Understand Us Arabs"



Copco Authorized To Borrow Money For Construction

The California Oregon Power company has been authorized by the Oregon and California Public Utilities commissions to borrow up to \$12 million to finance new construction, according to Albert S. Cummins, president of the firm.

Authorization of the credit agreement is expected momentarily from the hydroelectric commission of Oregon, Cummins said.

The \$12 million is the preliminary approved construction budget of the company for 1958.

The funds thus made available with those expected to be generated through operations, Cummins said, are estimated to be sufficient to meet company's construction requirements through 1959 and into early 1960.

The borrowed sum will be spent \$5,000,000 for local projects and \$7,000,000 for special projects. Included in the special projects will be \$5,000,000 for the completion of the Big Bend plant on the Klamath river which will have a capacity of 80,000 kilowatts and will have a total cost of approximately \$12,403,500.

Another \$1,850,000 will be used to complete the new 70 mile, 230,000 volt transmission line to extend from Klamath Falls, at the Big Bend plant, to Medford. Scheduled completion dates on both projects are during 1958.

Local projects, Cummins reported, included any general construction of buildings, distribution stations, and servicing of new buildings and dwellings.

Norblad Sees Base As Waste of Money
Salem — Rep. Walter Norblad (R-Ore.) told the Salem Kiwanis club today that a proposed \$40 million air base in his district "would be a complete waste of money."

Norblad said "any congressman would be extremely happy to have a \$40 million project in his district." But, he said, the Air Force "should continue to use the present Portland base for the next few years."

An air base in the St. Paul Woodburn area was first planned by the Air Force as a substitute for the Portland base but plans later were dropped.

Norblad said that the Defense department is not building any new interceptor bases because the ground-to-air missile can do the job with almost complete effectiveness and accuracy as compared with interceptor planes and without any loss of life.

Our Skies Tonight
Sunrise 6:41 a.m.
Sunset 5:09 p.m.
Moonset 11:09 p.m.
First Quarter Wednesday
Day
Prominent Stars
Altair high in south-west
and low in west at moonset, is flanked by two stars; the brighter is called Tarazed, the dimmer, Alshain.

Washington — Secretary of State John Foster Dulles said today that the current power struggle in the Kremlin requires the United States to be alert for a possible Russian adventure.

Dulles did not say whether this might take the form of a military or diplomatic action.

Dulles told a news conference he would not suggest that war is just around the corner. He said the administration does not believe now that a war is in prospect.

But Dulles said it must be remembered that whenever a great nation seems to be having internal problems that they sometimes lead to external actions to divert attention.

We have to be alert, he warned in appraising the ouster of Soviet Defense Minister Georgi Zhukov.

Dulles did not definitely say a Soviet military action, but presumably that was in his mind.

Dulles said the prolonged sessions of the Communist party's Central Committee indicate that there are very important issues being solved by Kremlin leaders.

He suggested that the problems are more domestic than international. But when asked pointblank whether he considered Zhukov's situation "good news or bad news," Dulles said he did not know. He said he could only tell after the final outcome is known.

Dulles gave the impression that the State Department itself does not have any inside information about Saturday's dramatic announcement that Zhukov had been "relieved" of his post as defense minister. But the feeling is growing in official quarters here that the Kremlin leaders are still battling over high command posts.

On other international topics, Dulles said President Eisenhower would give sympathetic consideration to any invitation asking him to attend the mid-December meeting of the North Atlantic Treaty Council in Paris. Dulles said nothing more on this point, but an announcement is expected shortly that the President will fly to Paris in mid-December.

Said any "new look" at the nation's defense program is not expected to result in any reduction in defense expenditures. Ways must be achieved, however, for greater efficiency and dovetailing in defense fields with U. S. allies.

Said the U. S. is not considering any vast new Middle Eastern aid program.

Military Action By Soviets Hinted At Conference

War Not in Prospect, Administration Feels

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Golda Meir, Two Others Injured By Hand Grenade

Thrower Rescued From Bystanders

Jerusalem — A disgruntled youth exploded a hand grenade in the Israeli Parliament today, wounding Prime Minister David Ben-Gurion and three other Cabinet ministers on the first anniversary of Israel's invasion of Egypt.

The grenade - thrower was carrying an Israeli identity card with the name of Moshe Hachohen Duck. He was beaten by bystanders before police rescued him and carried him off to be questioned.

Police were not immediately able to determine his nationality or political affiliations—if any. Golda Meir Hurt

Ben-Gurion, Foreign Minister Golda Meir and Transport Minister Moshe Carmel were slightly hurt in the blast. But injuries to Minister of Religious Affairs Moshe Shapira were described as more serious.

The bomb hurler was described by authorities as a man who held "personal complaints" against the government officials.

Ben-Gurion's right hand was slightly injured in the explosion. Mrs. Meir suffered a foot injury.

The explosive, believed to be a powerful grenade, was tossed at the government table from the gallery during a foreign affairs debate.

Rushed To Hospital
The Knesset was debating the foreign policy statements of Ben-Gurion and Mrs. Meir when, at almost exactly 6 p.m. (8 a.m. p.s.t.), Dugé arose in the public gallery and hurled his explosive to the parliament floor. It landed at the head of the cabinet table.

Shapiro, who was sitting nearest the blast, was most severely hurt and was immediately rushed to a hospital.

The shaggy-haired Ben-Gurion ducked as the missile came toward the cabinet table and suffered injuries only to his right hand.

The Knesset sat in stunned silence for a second. Then, while attendants ran toward the government table, Speaker Joseph Sprinzak adjourned the session for two hours.

Cloud of Smoke
The grenade exploded in a cloud of smoke as a member of parliament, Isaac Rephael, was speaking.

Panic gripped the house after moments of stunned silence. Shapiro, whose chair was nearest the explosion, slumped to the floor, bleeding profusely. He was reported seriously wounded.

Ben-Gurion stood up calmly, blood flowing from his right arm.

Mrs. Meir and Carmel were hit by pieces of shrapnel. They were only slightly hurt.

Mollet Fails; Coty Turns To Gaillard

Paris — The National Assembly early today rejected Socialist Guy Mollet's attempt to form a new government. President Rene Coty promptly tapped young financial wizard Felix Gaillard, Radical Party leader, to make the next try.

The assembly turned down Mollet by a 290-227 vote, thus prolonging the four-week political crisis conceded to be the worst since World War II. The Conservatives lined up with the Communists and extreme Right Wing Poujadists to defeat him.

At 4:40 a.m. Coty summoned Gaillard to the palace. He is 37 and finance minister in the government of caretaker Premier Maurice Bourges-Maunoury.

000 more than its stated goal, Johnson reported.

The public employees division reported that 106.9 per cent of its goal has been reached. Elliott Becken is chairman of the division. Dick Travis' service division reported 92.5 per cent of its stated goal reached.

Home Crusade officials started planning the door-to-door canvass at a training meeting this morning. The Home Crusade is designed to contact residents who have not been contacted through business or industrial firms.

Johnson expressed appreciation to campaign workers and contributors for helping the UMC reach about 75 per cent of its goal at this time. He said he was confident "that we will surpass our goal and thus set a record for the state of Oregon."

UMC Campaign Reaches 74 Per Cent of \$123,130 Goal

Robert A. Johnson, general chairman of the United Methodist Crusade, reported that 74.6 per cent of the \$123,130 goal for the 1957-58 campaign has been reached.

A total of \$91,436.44 has been pledged or contributed to the UMC, he said, representing a "higher percentage than at a comparable time last year."

More than 100 Crusade workers attended the final general report luncheon at the Elks lodge here yesterday. Subsequent report meetings will be held at the Jackson hotel with division and assistant division chairmen attending.

Service Division
The service division reported collecting \$5,583 during the past week, and the utilities section was singled out for recommendation for collecting about \$2,