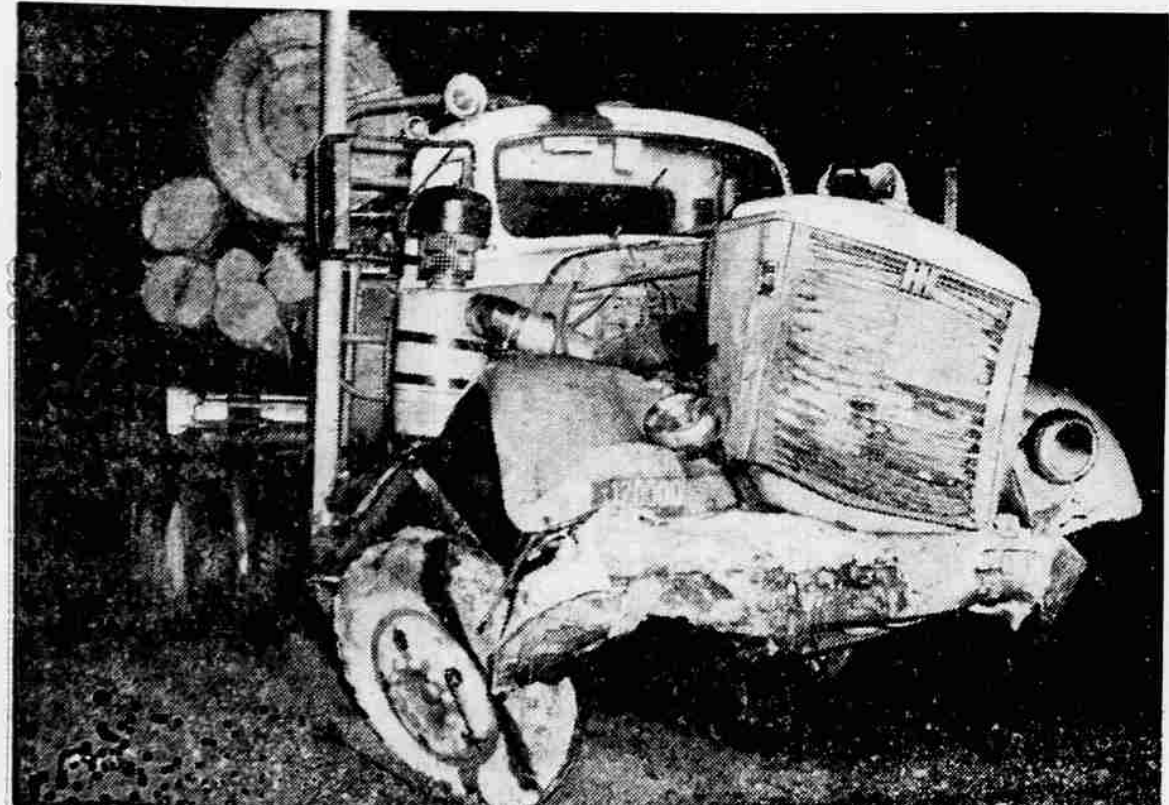




DRIVER UNINJURED—George Heath, 24, driver of this logging truck was reported uninjured, according to state police, when a station wagon containing Frank James Connell, 30, of 47 Eastwood dr., Medford,

and James Ronald Van Winkle, 21, possibly from Cle Elum, Wash., rammed into it last night north of Myrtle Creek. State police said the fatality occurred on the Boomerhill rd.



FATALITY CAR—This demolished station wagon marks the double fatality which occurred last night on the Boomerhill rd., north of Myrtle Creek. An appliance salesman

from Medford, and a man believed to be from Cle Elum, Wash., were riding in it when it collided with a logging truck.

—(Photos by Warren Studio, Myrtle Creek)

Compromise Offered To Third Committee

Salem —A compromise proposal which would reduce the state's \$74 million surplus to about \$30 million and give about 22 per cent reduction in income tax rates was presented to the third conference committee this morning.

The proposal was worked out in a personal meeting between Sen. Walter J. Pearson, Portland Democrat, and Lee Ohmart, Salem Republican. It must meet the approval of caucuses of both House Democrats and Senate Republicans.

Sen. Pearson said the situation in the tax reduction controversy had reached the point where both sides had to give something.

"Neither Sen. Ohmart or myself are actually happy with this solution, but unless we can agree somewhat on the lines we have proposed, we had better fold up our tents and go home," Pearson said.

Recommendations Listed

A tentative conference report, drawn up by the two senators makes the following recommendations:

Bring the personal and corporate loss carry-forward bills and accelerated depreciation in both personal and corporate income taxes to the floor for a vote. Double the tax credits for persons over 65 and those who are handicapped.

Bring Senate bill I, taking the state out of the property tax field, to the House floor for a vote.

The tentative report then states that, taking into consideration the proposals made together with the \$712,000 appropriation for the State Emergency Board fund and the five million dollars for basic school increase, the surplus would be reduced to about 30 million dollars.

In addition, the proposal would allow a built-in deceleration clause which would allow a one per cent tax reduction for each million dollars of revenue over \$85 million a year.

Quick Caucus Set

The two new House conferees, Reps. Robert Duncan, Medford Democrat, and Leon S. Davis, Hillsboro Republican, asked for more figures but agreed to present the proposition to House Democrats in caucus as quickly as possible.

The two senators said they would present the proposal to the senators in separate caucus and hope that when the committee reconvened an agreement could be reached and a conference report signed.

There were no long debates in the early morning meeting of the committee.

Sen. Pearson said he felt it was important to give some tax relief to business through loss carry-forward and accelerated depreciation as this would increase employment and actually bring in more tax revenue.

Estimates No Loss

Members of the Tax Commission staff estimated that no loss carry-forward could be claimed for the present tax year and estimated roughly that the other fringe benefits would cost in the neighborhood of \$550,000 for the first year.

Carlyle Roberts, chief counsel for the tax commission, was requested to draft the qualifications for tax relief for the handicapped. It was expected that such qualifications will be made tight enough to prevent any chiselers from gaining unwar-

Redden New Head Of County Demos; About 50 Attend

James A. Redden, Medford attorney, was unanimously elected chairman of the Jackson County Democratic Central Committee last night, to fill the vacancy left by the resignation of Larry Sheehan of Rogue River. Around 50 committeemen and women attended the meeting.

Redden has been in Medford two years and has been active in many civic programs. He is a graduate of Boston College, Mass. He is married and the father of two children, Sheehan, who has served as Democratic county chairman for the past two years, gave pressure of business and his recent election as district governor of the Lions club as reasons for his resignation.

The central committee also went on record endorsing Gov. Robert Holmes' position in the special legislative session for "subsequent tax relief while maintaining a surplus sufficient to meet such contingencies as increasing unemployment and other economic factors affecting tax collection."

Other business transacted included resolutions favoring the moving of Democratic state headquarters from Portland to Salem, the inclusion of Democratic chairmen from the 36 counties as auditors at the state executive board meetings, and commending outgoing Chairman Larry Sheehan.

The committee unanimously recommended R. B. Thierolf, Medford, for a coming vacancy on the Jackson County Welfare commission, and O. E. Frazier of Phoenix for a place on the county budget committee.

John E. Gribble was recommended as the local chairman for national conservation week for the coming year, and Marvin Madden of Phoenix, president of the Jackson County Democratic Social club, was appointed Democratic precinct survey chairman for the county central committee.

Three precinct vacancies were filled including Mr. and Mrs. Roy Johnston in Precinct 47, Mr. and Mrs. Walter McMahan in Precinct 29 and James A. Redden in Precinct 56A.

James Connell Dies In Crash Near Myrtle Creek Last Night

Tentative Hearing Set On Water Resources

A hearing is tentatively scheduled for Dec. 11 at 9:30 a.m. between members of the Jackson and Josephine county water resources committee and members of the state board of water resources, it was revealed today.

Don Lane, secretary of the state board of water resources, called County Judge Rodney Keating yesterday to request a hearing date be set Dec. 11, at 9:30 a.m. if the committees approve.

Then the reports and recommendations of the subcommittees of the local organization will be presented. These will be aimed at more adequate development of water resources in the Rogue River basin, it was explained. The Jackson county committee hopes to have a recommended program worked out by that time. This, it is hoped, will be placed by the board before the state legislature interim committee for future legislation to aid in developing the water resources of this area.

Such subcommittee reports cover such subjects as domestic and municipal water users, flood control, fish and wildlife water use, industrial, mining and power use, agriculture uses, watershed management, recreation resource, and pollution abatement.

Chairman of the committee is William (Bill) Jess, Eagle Point. Previous surveys made of the Rogue river basin have been centered on one particular phase such as flood control, irrigation, or industrial use of the water. The state board, which started its survey in August, has reviewed surveys made in the basin previously, including one as far back as 1909.

Malcolm Kerr, Salem, is engineer in charge of the Rogue

Murphy Apprehended On Fugitive Charges

Rufus Charles Murphy, of Oklahoma City, Okla., was arrested by local FBI agents assisted by members of the Medford police department last night on charges of unlawful flight to avoid prosecution, according to a warrant issued by Oklahoma for second degree burglary, city police said.

City police said they were alerted by FBI agents for Murphy, who was believed to be in the Medford area, Wednesday. They said a check of local hotel registers was started and Murphy was located at the Imperial rooms, 30 North Front st., about 4:24 a.m.

Heart Condition Cause Of Ashland Man's Death

Ashland —A word was received here today that the Siskiyou county, Calif., coroner has found that a "coronary occlusion" was responsible for the death of Dewey D. Bruhl, Ashland realtor, near Hornbrook on Nov. 2.

At first it was thought that Bruhl drowned when his car plunged from the highway into the river, but an autopsy showed the heart condition to be the cause of death.

Two Men Killed As Their Auto Hits Log Truck

Frank James Connell, 30, of 47 Eastwood dr., Medford, an appliance salesman for the Lou Johnson company of Portland, was one of two men killed in an auto accident last night about three miles north of Myrtle Creek, according to state police.

Connell and James Ronald Van Winkle, 21, believed to be from Cle Elum, Wash., were killed when the station wagon in which they were riding went out of control and collided with a logging truck on the Boomerhill rd., north of Myrtle Creek, state police said. The accident occurred about 5:45 p.m.

Assistant Douglas County Coroner Robert Ganz of Myrtle Creek said the driver of the truck, George Heath, 24, was uninjured.

Sixteen Nominated For Chamber Jobs

Sixteen members of the Jackson County Chamber of Commerce have been nominated for the eight directorships which fall vacant at the end of the year, the chamber board was told this morning.

Voting to select the eight new directors will be completed by next Wednesday, the elections committee stated. In the chamber's unique method of election, all members can vote for 16 nominees, then vote for eight of the 16 in the final balloting.

The nominees are William C. Abbott, Robert J. Balk, Frank Bash, B. Kent Blackhurst, H. D. Christensen, K. W. Cook, Otto Ewaldsen, Everett A. Faber, Dwight Houghton, Chester A. Hubbard, Gerald T. Latham, S. V. McQueen, Larry Schade, J. Paul J. Selby, Robert Voegtly and D. H. Young.

Ballots are due not later than 5 p.m. Wednesday, Nov. 20, at the chamber office on South Central ave.

Board members also were invited to attend the opening ceremonies at the Southern Oregon Safety Fair at 10 a.m. Saturday at the Medford armory. The Safety Fair is the first of its kind in the nation, members were told, and is being closely watched by safety officials all over the country to see how successful a departure it is from the safety conference type of meeting previously held.

DOW-JONES AVERAGES

New York —Dow-Jones final stock averages: 30 industrials 427.94, off 2.13; 20 railroads 103.77, off 1.56; 15 utilities 64.84, off 0.07, and 65 stocks 144.39, off 0.90. Sales today were about 2,450,000 shares compared with 2,120,000 shares Wednesday.

WEATHER

FORECAST: Clearing this evening. Valley fog or low clouds forming tonight and continuing until about noon Friday. Increasing cloudiness Friday afternoon. Rain likely Friday evening. Cooler tonight. Low tonight 34. High Friday 48.

Highest Yesterday Temp. 53
Lowest this Morning 34
Prec. to 10 a.m. Today .71

Our Skies Tonight
Sunrise 7:01 a.m.
Sunset 4:51 p.m.
The Moon, at Last Quarter
rises Friday 1:39 p.m.
The star near it tonight is Regulus.
VISIBLE PLANETS
Venus, low in south-west 6:44 p.m.
Jupiter, rises 4:40 a.m.
Mars, rises 5:55 a.m.

Ike Stresses More Federal Spending On U.S. Security

Oklahoma City —President Eisenhower put America on notice today to prepare for considerably higher federal spending, if this country is to keep abreast of the space age—and Russia.

Whether the substantially higher price tag on national security would mean higher taxes was the billion dollar question before the nation.

The President, in his national broadcast and televised speech Wednesday night in the Municipal auditorium here, did not once mention the possibility of higher taxes. But at seven different points in his speech he stressed that substantial costs would be involved in bringing America's arsenal up to scientific date with Russia, raising military pay, increasing the educational production of scientists and keeping foreign aid at about its present levels.

Immediately after his speech in the auditorium to an audience of more than 6,000 persons, the President raced back to Washington during the night by air to preside this morning at his second meeting of the National Security Council this week.

Pledged Economy

The President, while forecasting markedly higher spending for defense in his Oklahoma City speech, pledged his administration to every possible economy in current federal costs in areas less important than security and scientific achievement.

He said, however, that he had come to the "clear conclusion" that some civilian programs of the government, "while desirable, are not absolutely essential" and probably would have to go, under the weight of satellites, missiles, dispersing the Strategic Air Command to additional bases and other mounting security costs.

The President refrained from telling Congress where to cut domestically, but he was specific on where cuts should not be made.

He said the answer to economies needed to meet mounting defense demands did not lie in cutting his mutual security program of economic and military foreign aid.

Against Cost Cuts

Eisenhower said it also would be a mistake to cut costs by "any misguided attempt" to eliminate conventional military forces and rely solely on retaliation.

"This course would be completely self-defeating," he said. The Chief Executive expressed the hope that Russia ultimately would cooperate with the West in seeking "peace with justice."

Until there is concrete evidence of such cooperation and a cessation of threats from the Communist orbit, he said this country would have to maintain a mighty nuclear retaliatory power "as a primary deterrent to war."

The President announced a four-part plan for increasing the retaliatory power of the Strategic Air Command:

—A speedup in dispersal of SAC to other bases.

—A speedup in improving warning systems protecting the nation, because "with missiles and faster bombers, warning times will grow shorter."

—Development of an active missile defense against missiles through "intensive research and development."

—The addition of long-range missiles to American forces on land and sea.

He said additional sums will be provided for the plan "where needed. Moreover, it is clear that production, deployment and installation of missiles over the period ahead will be costly."

The President said his scientists advised him "above all immediate tasks" is increasing the production of scientists. The problem will be in its most critical phase for the next 10 years, he said.

He said the federal government cannot take on the full load of stepping up education of scientists and engineers, but must cooperate with state and local governments.

The President discounted Soviet claims of an accurate intercontinental ballistic missile. He said it will be "some time" before either the United States or Russia has long-range missile to equal "even a small fraction of the total destructive power of our present bomber force."

Navy Pilot Sights Bodies, Wreckage In Pacific Ocean

Honolulu —A Navy pilot today sighted the bodies of nine persons in the Pacific, 128 miles west-northwest of the last position reported by a Pan American World Airways Stratocruiser that vanished last Friday night with 44 persons aboard.

The pilot, from the carrier Philippine Sea, radioed at 9 a.m. (PST) "highly probable wreckage sighted."

A few minutes later he sent word that nine bodies were sighted, one of them strapped in an airplane seat.

Proceed to Area

The Coast Guard announced that the Philippine Sea and the destroyer Renshaw were proceeding to the area to attempt to recover the bodies. The carrier was 75 miles from the bodies and was due at the scene about noon.

The Navy pinpointed the location of the wreckage as 135 miles west-northwest of the last reported position of the Pan-Am plane, which was about 88 miles off the aircraft's planned course of flight and about 830 miles northwest of Oahu, Hawaii.

The sighting was due west of a track being taken by the Philippine Sea en route to Honolulu as part of a "vacuum cleaner" search effort between the point of no return and Hawaii.

Vanished Without Word
The big luxury Stratocruiser vanished without a word of warning Friday night while en route from San Francisco to Honolulu with 36 passengers and a crew of eight.

The plane's commander, Capt. Gordon H. Brown, Los Altos, Calif., a 15-year veteran of Pan American, last reported his position as fewer than 100 miles past the midway point on the 2,400-mile flight.

No further word came from the plane and a massive air-sea search was launched Friday night.

Some 20 ships and 65 aircraft led by the hunter-killer carrier Philippine Sea scanned a 275,000-square mile area. Several sightings were made but all were checked out and discounted until today's report by the carrier plane.

Toth Bound Over On Burglary Charges

Jozef Toth, 20, Medford, was bound over to the grand jury Tuesday in district court on charges of burglary not in a dwelling. He was released on his own recognizance.

Toth was arrested last month by Medford city police in connection with several burglaries in the area.

Attorney for Toth is Gene Piazza. Charles Moldovan, Medford, served as interpreter during the arraignment. Toth is a Hungarian refugee.

The state's case was presented by Deputy District Attorneys Jim Anicker and Allan Franzke.

Parade, Free Candy and Carolling Set For Christmas Shopping Opener Saturday

A parade, free candy for youngsters and community carolling Saturday afternoon will herald the opening of the Christmas shopping period in Medford stores.

According to Al Carpenter, Medford Junior Chamber of Commerce parade chairman, 17 floats have been registered for the parade so far and six bands are scheduled.

Prize money donated by the Retail Merchants association will total \$320 for float prizes. Grand sweepstake prize for the youth and adult division will be \$100. First prize in each division is \$50, second \$30, third \$20 and fourth \$10.

The Red Cross building near Hawthorne park will be used for distribution of cider and doughnuts to the marching units, Carpenter said. Themes of the parade are "Biblical Christmas" and "Fantasy."

Carpenter said this morning that he has definite commitments on three Medford bands—senior high school, Hedrick and McLoughlin junior high schools—as well as Crater, Eagle Point, and tentatively Phoenix, high school bands.

Lead float in the parade will be a blue gondola sponsored by the Veterans Administration domiciliary at Camp White. It will feature little elf watching Santa Claus decorate a Christmas tree. Four children will toss candy as the floats pass in review, it was reported.

The engineering division at Camp White designed and constructed the float, mounted on a government truck. C. P. Ice, labor foreman, will be Santa.

The parade route starts at Hawthorne park and proceeds west on Main st. to Riverside ave., north on Riverside ave. to

Sixth st., west on Sixth st. to Holly st., south on Holly st. to Main st., and east on Main st. to Hawthorne park.

Judges of the parade will be Jack Teeter of McLoughlin junior high school, Robert Toomey, Sacred Heart Parents association, and Mrs. Evelyn Polas of Phoenix high school. The parade is sponsored by the Medford Junior Chamber of Commerce in cooperation with the Medford merchants.

Proceeding the parade—from 1:15 p.m. to 1:30 p.m.—the music group and general members of the Medford branch of American Association of University Women will lead a community sing from in front of the judges' stand on East Main st.

Director will be Mrs. Norman Carothers with Mrs. R. A. Schuchard accompanying on the piano.

