

Fiery Explosion Follows Collision of Ships

Goldfine's GOP Status May Have Been Told To SEC

Payment of Bill For Judge Disclosed
Boston—(UPI)—Federal Judge William T. McCarthy said today the fact that millionaire industrialist Bernard Goldfine paid his hotel bills in New York City "in no way swayed or prejudiced my impartial judgment in any case... before me."

Washington—(UPI)—Congressional influence investigators were told today that White House counsel Gerald Morgan may have told a Securities and Exchange official that Bernard Goldfine was a member of the Republican party.

The testimony came before a House subcommittee inquiring into the SEC's handling of a legal case against the East Boston company, controlled by the family of Goldfine, millionaire friend of Presidential Assistant Sherman Adams. Morgan made inquiries of the SEC about the East Boston case at the behest of Adams.

A subcommittee staff attorney, Joseph T. Conlon, testified he was told of the incident in an interview with Thomas G. Meeker, SEC chief counsel.

Conlon said Meeker told him that Morgan "may have stated" Goldfine was a Republican during a meeting at the White House when the SEC official was giving the presidential attorney a report on the East Boston case.

Conlon said Meeker's memory was hazy on the incident. Later in the interview, Conlon testified, Meeker said he wasn't sure whether Morgan had made the statement.

As the hearings continued, it was disclosed that Goldfine, who paid large hotel bills for Adams, once picked up a \$60 hotel bill for Federal Judge William T. McCarthy of Boston.

Seattle Firm Low On Talent Project
Cherf Brothers, Sandkey and Birch of Seattle, Wash., submitted the low bid of \$165,579 for construction of the Conde Creek and Dead Indian collection canals in the Talent project. Three bids were opened by the bureau of reclamation at Camp White yesterday.

"How Come, Tearing Off the Porch? You're Only a TENANT Here!"



(Herblock Is on Vacation)

Voters Defeat 2nd School Budget in Evans Valley Area

Evans Valley school district voters for the second time voted down a proposed school budget for the district in an election held Monday.

The proposed \$44,160.17 levy was slightly lower than the budget originally presented.

A third election will have to be scheduled, officials reported, as the district does not have a tax base. According to unofficial returns the vote was 76 against the budget, 75 for.

Other school district elections Monday in Prospect and Elk-Trail and Eagle Point approved various measures, according to unofficial returns.

Contract Awarded For Road Work
Virgil Anderson, Medford contractor, was awarded a contract to complete the roadway and street adjoining Wilson school at a meeting of the school board yesterday.

Anderson was lowest of two bidders at \$9,908.32. The other bid was submitted by Tru-Mix Concrete company, Medford, at \$14,600.

A contract to install two basketball backstops and mounts at the new Wilson elementary school was awarded to Frank Cohn company, Portland. Cohn bid \$298 each for the work.

In other action, the board elected two new teachers. They are Mrs. Dorothy Morris, elementary grades; and Mrs. Joanne Sousa, elementary grades at West Side school.

Engineers Nominate Philadelphia Man
Portland—(UPI)—Francis S. Friel, Philadelphia, was nominated Tuesday for president of the American Society of Civil Engineers at their national convention here.

U. S. Hospital In Tripoli Target Of Rebel Attack

Note From Rebels Warns Army Guards

Beirut, Lebanon—(UPI)—Lebanese rebels attacked the American Presbyterian hospital in Tripoli today. The hospital's American staff had left.

The attack started shortly before U.N. Secretary-General Dag Hammarskjold, outwardly optimistic about his Middle East peacemaking mission, left for New York.

The rebels sent the army guards at the hospital a note telling them to "Get out or we'll blow it up." The hospital's staff moved to Beirut six weeks ago.

It was the first direct attack on U.S. property in Lebanon since the burning of two U.S. Information Service libraries early in the rebellion.

It coincided with a statement by President Camille Chamoun that he would call for military aid under the United Nations charter if his pro-western government needs help to cope with the rebels.

Attack Expected
U.S. Ambassador Robert G. McClintock promptly appealed to Chamoun for assurance the hospital would get adequate protection.

Chamoun told newsmen at a press conference this morning he expected a heavy rebel attack to start within 48 hours.

Grants Pass Firm Submits Low Bid For Buildings
Ausland Construction company, Grants Pass, was low bidder on construction work at Crater Lake National park, according to Tom Williams, park superintendent. Bids were opened yesterday.

The bids have been sent to the Washington, D.C., office of the National Park Service for contract approval, Williams said.

The Grants Pass company bid was \$296,600. Other bidders were Salter and Klein, Grants Pass, \$317,566, and H. Barnhart, Medford, \$323,875.

The bids called for construction of apartment buildings, comfort stations and miscellaneous structures.

Apartment Buildings
The apartment buildings for park personnel will be constructed in the headquarters area, Williams said. Two additional comfort stations will be erected at Mazama camp grounds near Annie Springs. Part of this area will be open for public use today.

Sixty camp sites are available, the park superintendent said. The rest are now under construction.

Miscellaneous structures include a covered entrance to the administration building, which will eliminate erection of a makeshift tunnel every winter, and a new entrance station at Annie Springs.

The construction program is part of the work being done under the Mission 66 program.

Russia Withdraws From Nuclear Talks

Soviet Russia's Secret Police Strengthened

Sinister Figure In Prominence

London—(UPI)—Soviet Russia's dread secret police is being strengthened with top jobs going to trusted lieutenants of Premier Nikita S. Khrushchev, diplomatic dispatches reported today.

The sinister figure of Secret Police Chief Ivan Alexandrovich Serov has stepped into ominous prominence in recent months, they said.

Serov was a collaborator of Khrushchev's in the Ukrainian purges of the 1930s. It was he who helped crush the 1956 Hungarian rebellion.

Linked to Security
Observers on the spot linked these disquieting developments directly to the tightening of security within the Soviet camp and the end of collective leadership as Khrushchev gained greater power.

The secret police were almost smashed with the execution of Lavrenti Beria, its leader, and Khrushchev's "de-Stalinization" program two years ago weakened it further. Without a chief the apparatus was ineffective and dormant.

Diplomatic reports said the latest signs of its resurrection did not point to a complete revival of the old secret police. Nor has it affected the average Soviet citizen.

Future Needs
The reported buildup apparently was designed to prepare for future needs of the leadership but ostensibly to guard against "revisionism" and "imperialist Western influence."

The most significant indication of Serov's growing influence was his inclusion in the Soviet official mission during the recent exchange of visits of the Finnish and Soviet presidents.

Keating to Attend Interstate Meeting
County Judge Rodney Keating plans to attend an interstate meeting of public land committees July 20 and 21 in Glacier National park, he said today.

The meeting will represent public land committees of eight western states. Washington, California and New Mexico do not belong to the group, Keating explained.

Increased returns to the counties from public domain lands will be among the topics discussed, Keating said. Representatives probably will ask for 25 per cent allocation of revenues, the same as now received from lands under the jurisdiction of the forest service, he said.

Alaska Statehood Stirs Sharp Debate
Washington—(UPI)—The Alaskan statehood bill stirred up a sharp Senate dispute today between southerners and leaders of both parties. A pro-longer debate seemed to be in the making.

News at a Glance

Russia Ignores Demands

Washington—(UPI)—The State department is demanding the release of nine American airmen imprisoned in East Germany but Russia has not replied to its latest note.

Sen. Herman E. Talmadge (D-Ga.) has accused the department of "incomprehensible timidity" in its efforts to get release of the men.

State department spokesman Lincoln White said Tuesday the department "continues to insist that the Soviets honor their responsibilities."

Cambodia Claimed Invaded

Pnom Penh, Cambodia—(UPI)—Outgoing Premier Sim Var charged today that South Viet Nam troops have "invaded" Cambodia's northeastern province of Stungtreng.

There was no immediate confirmation of the report from South Viet Nam.

De Gaulle Calls Advisers

Paris—(UPI)—Gen. Charles de Gaulle called in his top advisers today to complete his still secret plan for ending the war in Algeria.

The Premier's North African strategy also will be studied tonight when he meets with Gen. Raoul Salan, supreme commander in Algeria who is flying in from Algiers to get a final okay on plans for De Gaulle's visit to Algeria next week.

Unander's Plan Rejected

Salem—(UPI)—State Treasurer Sig Unander Tuesday received by way of Sen. Richard L. Neuberger (D-Ore.) an administration rejection of Unander's plan to finance forest access roads through revenue bonds.

Unander some time ago urged the Eisenhower administration to consider his plan for formation of a corporation under the Department of Agriculture that could issue revenue bonds for road construction. The Unander plan would have called for a road use charge to retire the bonds.

Redstone Rocket Launched

Cape Canaveral, Fla.—(UPI)—The Army sent another of its short-range Redstone rockets blazing high and far into a clear Florida sky Tuesday night.

The 62-foot missile thundered up about 10:37 p.m. (e.s.t.) and was visible for some four minutes speeding through the starry sky.

8th Anniversary of Communist Attack On Korea Republic

Tokyo—(UPI)—Today is the eighth anniversary of the Communist attack against the Republic of Korea.

Parley Feared To Be Means To Deceive People

Diplomatic Move Draws Surprise

Moscow—(UPI)—The Soviet Union announced tonight it was withdrawing from the July 1 Geneva conference on nuclear test suspension.

The Soviet Union previously had accepted the U.S. invitation extended by President Eisenhower to send scientists to East-West technical talks starting in Geneva next week.

Move Told in Note
The sudden and surprising diplomatic move was disclosed in a note to the U.S. The Geneva conference was to have included scientific experts from the Soviet Union, the U.S., Britain, France, Czechoslovakia, Poland and Canada.

"There are grounds for fearing that the conference of experts would be turned into a means for deceiving the peoples," the Soviet note said, "inspiring a false illusion that some measures were allegedly being adopted for the purpose of ceasing nuclear weapon tests when in actual fact the matter is not making any progress whatsoever."

Sees No Point
The Soviet position was contained in a communication from Foreign Minister Andrei Gromyko to U.S. Ambassador Llewellyn Thompson. In it, the Soviet government said it saw no point in attending the conference since Secretary of State John Foster Dulles had publicly stated that by going to Geneva the U.S. does not necessarily agree to cessation of nuclear tests.

Russian Crowd In Demonstration

Moscow—(UPI)—A placard-carrying, jeering crowd of 2,000 Russians shouted insults but caused no damage or violence in an anti-American demonstration in front of the U.S. Embassy today.

The demonstration, staged in reprisal for last Sunday's riot by Hungarian refugees at the Soviet United Nations Embassy in New York, appeared to be well ordered and well planned.

It was the third crowd action against foreign embassies in Moscow in a week, but it was far less hectic than the other two. Moscow mobs rioted against the Danish and West German embassies previously, in both cases breaking windows and causing extensive damage.

UN Police Action In Lebanon Favored

Washington—(UPI)—Democratic and Republican senators, recalling the Korean invasion shock of just eight years ago, called today for United Nations police action to quench any similar spark in Lebanon.

They brushed off as "fantastic" and unreal the Soviet charge that any attempt to send a U.N. force into Lebanon would amount to "aggression."

Senate GOP Leader William F. Knowland called the Moscow charge "another case of extortion."

Gasoline Tanker, Freighter Smash In East River

Cries For Help Heard on Shore

New York—(UPI)—A freighter and a gasoline tanker collided in the East River early today setting off a fiery explosion that engulfed the two ships and set the Manhattan Bridge afire.

A brilliant flash of igniting gasoline flared over the river seconds after the explosion. Almost immediately cries of help were heard on shore from flame-swept waters where crewmen who jumped overboard struggled against the incoming tide.

Tanker Sinks
The Swedish freighter Nebraska moving south rammied the small American gasoline tanker Empress Bay, officials said, just south of the Manhattan Bridge spanning the East river between Manhattan and Brooklyn. The Empress Bay sank about two hours later.

Forty-nine crewmen from the two ships were rescued and most of them hospitalized for treatment of various injuries. A total of 44 out of 45 aboard the freighter were accounted for and five of the seven crew members of the tanker were rescued. Three persons were missing.

Two Ships Locked
The ships struck so hard they were locked together. They floated north on the incoming tide sending a column of flame into the span of the bridge 135 feet overhead.

Electric cables on the bridge caught fire, halting both auto and subway train traffic. Police also closed the historic Brooklyn Bridge to the south as flames spread over the water.

The Coast Guard banned all traffic for several miles along the river as dangerous gasoline fumes hung over the water.

A flotilla of rescue and fire-fighting craft sped to the scene. One fireboat, the William J. Gaynor, was damaged by the still revolving propeller of the Nebraska as it took survivors off the burning ship. The locked ships were pulled apart after the fire was put out. The Empress Bay sank quickly as water flooded through the gaping hole in her side. The freighter was taken in tow, still afloat.

Great Flash
A witness to the collision and fire was Capt. Bert Deeley, of the tug Dalzellera, who said he saw "one great flash going up over the Manhattan bridge."

"It seemed like the whole river was on fire," Deeley said. "The flames kept going higher and higher and it seemed to me it went on for an hour."

From his hospital bed, one of the tanker's crew, Haakon Anderson, 42, of Riverhead, N.Y., said he was in his bunk reading when he heard seven blasts of the ship's whistle—the danger signal.

"I jumped out of my bunk and ran out on deck," Anderson said. "I saw that a collision was unavoidable. I leaped overboard and started swimming."

"From the water I heard the crash. Then it seemed both ships burst into flames."

Only one death was reported in connection with the collision. William Finn, a veteran photographer of The New York Journal-American, collapsed and died on a pier while covering the fire.

50 People Plan to Tour Talent Project Tomorrow

Some 50 people will tour the Talent project tomorrow to inspect possible recreation sites.

Among those making the tour, sponsored by the county court, will be the Klamath county court; the recreation and natural resources committee of the Portland Chamber of Commerce; A. T. Carlston, of the Portland office of Southern Pacific railroad; Neal Butterfield of the National park service, Portland office; Frank Folsom, assistant regional forester, forest service; Phil Schneider, Oregon state game commission, Portland office; and representatives of the Jackson County and Ashland Chambers of Commerce.

WEATHER
FORECAST: Fair tonight and Thursday. Low tonight 53. High Thursday 88.
Highest Yesterday 76
Lowest this Morning 33

Our Skies Tonight
Sunset today 7:53 p.m.
Sunrise tomorrow 4:35 a.m.
The Moon, about 238,000 miles from the Earth tonight, appears near the planet, Jupiter, which is 488 million miles from the Earth tonight and the star, Spica, nearly two million times as far away as Jupiter.
Moonset tomorrow 1:05 a.m.
Full Moon June 30

Increased Enrollment Noted at Southern Oregon

Ashland—Regular summer session enrollments at Southern Oregon college jumped 14 per cent over last year.

Mrs. Mabel Winston, registrar, today announced a total enrollment of 547 students. Last summer Southern Oregon college had 479 students at the end of the seventh day of regular session registration.

University of Oregon Given AEC Contract

Washington—(UPI)—A \$10,000 contract has been awarded to the University of Oregon medical school in Portland for an investigation into use of radioactive sodium in cerebral edema, brain tumors and epileptic manifestations, the Atomic Energy commission said today.

Salem—(UPI)—Reappointment of Randall Grimes, Harrisburg, to the State Soil Conservation Committee for four-year term has been announced.

County Road Paving Starts on Murphy

The Jackson county paving unit started work on Murphy rd. near Rogue Valley hospital yesterday, according to Paul Rynning, county engineer.

About a half mile will be paved on Murphy rd., he said. The county roads department is three weeks late starting the paving unit for this season's work because of bad weather, Rynning explained. Last year it was started June 3. Approximately 25 miles of county roads will be paved during the season, he said.

Rivers and Harbors Bill Sent to President

Washington—(UPI)—Congress completed action today on a compromise bill authorizing \$1,566,600,000 in new rivers and harbors and sent it to President Eisenhower for his expected signature.

Yreka Man Shot; Mistaken Identity

Yreka, Calif.—(UPI)—Harry Meek, local insurance man, was released from Siskiyou County General hospital late Tuesday after treatment for a flesh wound from a .22 caliber pistol.

BPR to Inspect Proposed Lake Road

Bayard French of the bureau of public roads, Portland, expects to inspect possible construction of the McAllister Springs and Lake of the Woods road in Jackson county in the "very near future," County Judge Rodney Keating said today.

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