

Hatfield Proposes \$358.8 Million Budget

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Kennedy Selects Budget Director

Change of Venue Motion Filed in Bengtson Case

Action Based on Two Points
A motion for a change in venue for the trial of O. H. Bengtson on a charge of larceny by embezzlement scheduled for Dec. 13 was filed in circuit court Thursday.

The motion is based on two points: 1) widespread publicity in Jackson and Josephine counties about the case, and 2) a number of affidavits signed by more than 300 Jackson county residents who have heard and read about the case and feel that Bengtson could not receive a fair trial in either Jackson or Josephine county. The affidavits were filed as exhibits with the motion.

The motion will be considered by Circuit Judge Orval Millard, Grants Pass, who has been assigned to hear the case. In circuit court here Thursday afternoon, no further arguments or material were presented regarding motions filed by Bengtson's attorneys seeking to quash and set aside eight indictments which charge embezzlement of Medford Escrow funds.

Nothing Else
Robert Boyer, one of Bengtson's attorneys, appeared before Judge Edward C. Kelly yesterday, and explained that he felt that there was nothing else to present. Richard R. Carney, Portland lawyer, is Bengtson's other attorney.

However, Deputy District Attorney Brian Mullen requested that the hearing be continued until Monday at 1:30 p.m. so he could submit a counter-affidavit from County Clerk Marvin Madden regarding the selection of the grand jurors, and a memorandum in opposition to the defendant's motion.

Judge Kelly said that he will rule on the motions Monday afternoon.

Bengtson was found guilty Oct. 12 of embezzling \$3,701.14 from the company and was sentenced to three years in the Oregon Correctional Institution.

The pending trial is on an indictment involving \$1,700. The eight additional indictments involve a total of \$6,295. Each indictment concerns money which was the property of the Medford Escrow company of which Bengtson was an officer.

Bengtson is free on a total of \$13,000 bail.

Grants Pass Man Fined for No Bill

Leon Odell Grosby, 1215 Isham st., Grants Pass, pleaded guilty in district court Thursday to a charge of transporting coniferous trees without a bill of sale.

Grosby was cited by state police Nov. 30 while hauling a load of 370 Christmas trees. He was fined \$50 by District Judge L. L. Sawyer.

EDITOR STRICKEN

St. Helens, Ore. — Ivan Jones, 58, well known radio farm editor from Portland was hospitalized here today with an apparent heart attack suffered at his home near Rainier Thursday night.

Salem — Gov. Mark Hatfield said Thursday he has invited Sen. Maurine Neuberger to have lunch with him here Dec. 15.

Cuba Officially Labeled Communist Controlled

Washington — The United States for the first time today officially labeled Cuban Premier Fidel Castro's government as Communist controlled.

It did so when President Eisenhower invoked the so-called Kersten amendment to the Mutual Security Act in authorizing expenditure of up to \$1 million to aid needy

Certain Oregon Motorists To Face New Driver Tests

Salem — Certain Oregon motorists with a recent history of accidents and traffic convictions will be called in for a complete driver license examination, the State Motor Vehicles Department said today.

Department Director Vern Hill said the majority of drivers affected by the new program will be those licensed prior to 1933 who are now having driving troubles. The program is effective immediately.

Bids Called for Four Area Road Construction Jobs

Bids on three highway projects in Jackson county will be received by the state highway commission in Salem Dec. 9.

They are the grading and structural work on the Phoenix Siphon section of the relocated Pacific highway, grade widening construction between Elk Creek and Robbers Roost on Highway 62, and the installation of traffic signals in Medford at 10th st. and Riverside and Central aves.

The Highway 62 project will be to complete the irrigation structures and access road to it, prior to the start of the irrigation season. The work will be done in order to facilitate final completion of future grading and paving work on the 12th st.-North Ashland interchange section of the new freeway without interruption of essential irrigation facilities.

The Highway 62 project will straighten several sharp curves to improve alignment and improve sight distance for safer driving conditions.

The projects are to be completed in the winter and fall of 1961.

Bids also have been called for a Josephine county project. It is construction of a four-lane highway for the Applegate River-Grants Pass section of the Redwood highway southwest of Grants Pass. The new highway is to be constructed generally along the south side of the existing highway. The section, 5.87 miles in length, will be completed by late fall of 1961.

Klamath Falls — The final act severing federal control of the Klamath Indians was completed here Thursday afternoon in the Indian Trails office with title to three sustained yield units being passed to the federal government.

No bids were received from private firms on the three units, consisting of about 163,000 acres with an appraised valuation of more than \$21 million, which had been re-advertised. The three units are Sykan, Modoc Point and North Marsh.

ACTION QUESTIONED
Washington — Democratic National Chairman Henry M. Jackson today questioned the good faith of the Republican National Committee in seeking recounts and fraud investigations of presidential balloting in a number of states.

Portland — Sheriffs and district attorneys from throughout Oregon were in the final day of separate conventions today.

David E. Bell, Former Truman Aide, Chosen

'Large, Vital Role' in Administration
Washington — David E. Bell, Harvard University professor and former Truman aide, was selected today as budget director for President-elect John F. Kennedy's administration.

Kennedy said Bell would play "a large and vital role" in the operation of the new administration.

Important Activities
"At a time when our financial resources are being called upon for vast tasks," Kennedy said, "the efforts of the Budget Bureau to improve organization and management within the executive branch are among the most important of its activities."

"Only if this job is well done can a president be sure that he is making the most productive use of the funds he has been granted, and the powers which he has."

Bell was the third appointee to Kennedy's official family. Kennedy, who was flying to Palm Beach, Fla. with his daughter, Caroline, 3, this afternoon, planned to announce another high level appointment to his administration Saturday morning.

Begins Next Week
Kennedy told newsmen in response to questions that Bell would begin work next week, probably Wednesday. He said that if it is agreeable to President Eisenhower Bell will "sit in with" outgoing Budget Bureau Director Maurice H. Stans from then until next Jan. 20 when the Kennedy administration takes over.

Kennedy made it clear that all the decisions until Jan. 20 would be made by the Eisenhower administration.

"Our responsibility begins Jan. 20," he said.

Lodge May Seek Kennedy's Seat

Washington — Henry Cabot Lodge indicated today he might run again for the Senate to fill the seat being vacated by President-elect John F. Kennedy.

Lodge, the unsuccessful Republican vice presidential candidate, lost his Senate seat to Kennedy in 1952.

"I'm not foreclosing anything now," the Massachusetts Republican told reporters following a conference with Vice President Richard M. Nixon, who headed the GOP ticket.

Lodge made the statement in response to a question about the possibility of running for the Senate.

Lumumba Returned To Leopoldville

Leopoldville, The Congo — Fugitive ex-Premier Patrice Lumumba was brought back to Leopoldville under heavy guard today, a manacled prisoner of the regime he tried to oust.

Congolese Army Chief of Staff Col. Joseph Mobutu announced earlier that Lumumba was captured and held at Port Francon before being returned by plane to Leopoldville, where he will be put on trial.



PLAYMATES—Like cartoon characters Pixie and Dixie, and their friend Jinks, the cat, the two "meeses" in the picture above seem to be caught in the act of "food rustling" as pussy cat tries to stir up trouble. The unseemly pen-fellows are part of the current pet display at Monarch Seed and Feed, Medford. The mice, actually hooded rats, a domesticated and friendly breed, do not fear the zealous kitten even when he charges at them from behind a post. The first time pussy cat uses his claws on one of them will, no doubt, mark the end of a beautiful friendship. They are only placed together for an occasional romp, according to Bob Miksche, owner of the feed store.

Pope, Archbishop Of Canterbury in Historic Meeting

Vatican City — The Archbishop of Canterbury and Pope John XXIII conferred today in an unprecedented meeting that did something to ease religious differences that have existed since the Protestant Reformation 400 years ago.

"A notable event in the history of church relations," a Church of England communiqué said of the visit by Dr. Geoffrey Fisher to the Pope.

"The ice has been broken," a Vatican source commented. The two spiritual leaders, one the primate of the Church of England, the other supreme pontiff of the world's half billion Roman Catholics, talked for 65 minutes in the sunny, private papal library of the Vatican Palace. The only other person present was Msgr. Antonio Samore of the Vatican, who acted as interpreter.

Went Off Well
It was the first meeting between the spiritual leaders of the two churches since the Reformation, and both sides agreed it went off well in a genuine spirit of warmth.

Tonight, at a press conference at the British Embassy, the archbishop was asked if he thought his meeting with the Pope had contributed to lessening the "cold war" which he said Thursday night had followed the Reformation.

"Good examples are sometimes imitated by other people," he said. "If it (the meeting) is limited, it will mean relaxation of a certain coldness which existed."

Star of Maverick Wins Court Battle

Los Angeles — James Garner won a court battle with Warner Bros. pictures Thursday when a Superior Court judge ruled the actor was right in contending he no longer is under contract with the studio.

Garner, 32-year-old star of the "Maverick" TV series, was taken to court by Warner Bros. on a charge that he breached his \$1,750 weekly contract when he refused to report back to work after the Screen Writers' strike last spring.

Trees Available If Snow Not Deep

Permits to cut Christmas trees in the Ashland district will be available to area residents starting Dec. 6, Rogue River National forest headquarters has announced.

It was said, however, that it may not be possible to reach the trees because of snow conditions.

Gov. Hatfield Defends Out-of-State Travels

Salem — Gov. Mark Hatfield Thursday defended his frequent out-of-state travel and said for the most part his trips have been for the good of the state.

He has been out of the state a total of 145 days in two years and has been criticized in some quarters.

He said more than 70 of the 145 days involved week ends and some of the trips were of a duration of only a few hours. These partial days count as full days, however.

His state expenses for this travel in two years have been \$1,792 while Gov. Robert Holmes in the previous administration spent \$5,419 in the same period, he said.

Asked about the commutation of Chester

Cuba Asked To Return 'Any Fragments' of Space Rocket

Washington — The State Department announced today it is asking Cuba to return "any fragments" available of the American space rocket which fell in that country Thursday.

Press officer Joseph W. Reap said the acting ambassador in Havana, Daniel M. Braddock, has been instructed to make the request and explain the circumstances of the incident to the Cuban Foreign Ministry.

Reap said that so far as he knew the note which Braddock has been instructed to deliver contains no apology for the incident.

The State Department said the United States wants the fragments back "in order that they may be identified and analyzed in an effort to learn the causes of malfunction in this type of space vehicle which has a record of proven reliability."

The State Department said that launching officials decided to destroy the rocket when it was still off the coast of Florida and "there was the greatest possibility of minimizing adverse consequences."

The fact that most of the vehicle fell in the open sea was cited by the department as evidence that the action was taken at the right time.

Bonneville Has Surplus of Power

Portland — Bonneville Power Administration has its first Pacific Northwest power surplus since 1945, BPA officials reported Thursday.

Officials of the agency told a customers' meeting there is enough firm power to supply public agencies for the next 10 years.

But Miller Evans, director of the operations and maintenance division, said in 1959 the system will start having a shortage of power to meet the needs of private utilities, unless new facilities are added.

Evans said a Canadian-United States treaty for upper Columbia River power storage, if approved, would help alleviate the shortage.

Russian 'Space Zoo' Said Disappeared
Moscow — Moscow Radio announced at 3 a.m. (PST) today its space zoo was "still alive" but western scientists said later it had gone silent and disappeared from normal orbit.

10 Whites Enter Integrated School in New Orleans

New Orleans — Ten white children went unharmed into an integrated school today, past angry housewives whose blockade appeared to be crumbling.

The 10 children came in three cars to William Frantz Elementary school, and brought attendance at the integrated school to its highest point in more than a week—11 students, counting Ruby Nell Bridges, the lone Negro girl in the building.

The "cheerleaders," as police call the group of about 40 women leading the fight for a white boycott at the school, had to split into groups to try to cover all four entrances.

But police held them across the street from the school, and made them stay on the corners, at least 50 yards from the gates leading into the school grounds. When the students arrived, in cars and got out at the gates, the women were so far away that their insults were inaudible and they had to fall back upon loud, long booms.

Venezuela Forces Clash With Mobs
Caracas, Venezuela — Government security forces clashed with armed street mobs in widely separated sections of Caracas Thursday night. Two persons were killed, boosting to 15 the death toll in a week of violence fanned by Communist and leftist opponents of President Romulo Betancourt.

Portland — The Multnomah County Democratic Central Committee Thursday night called for the election of State Sen. Al Corbett (D-Portland) as president of the Senate at the 1961 Oregon Legislature.

PACKED SNOW

Salem — The State Highway Department today reported packed snow at Warm Springs Junction, Green Springs, Santiam Pass, Brothers, Willamette Pass, Chemult, Bly, Meacham and Astoria.

NO FRAUD SEEN
Washington — President-elect John F. Kennedy said today the chairman of the Senate Election Committee has assured him that the group has received no information of fraud in his election.

BACK IN PRISON
Portland — 38-year-old William Braley, 38-year-old fry cook whose first degree murder conviction was reduced by the State Supreme Court, has been taken back to the state penitentiary to serve a life term.

Portland — M. J. Frey, president and publisher of the Oregonian, today was elected president of the Portland Chamber of Commerce.

No Increase in Taxes Seen in Record Figures

\$46 Million Boost Over Current Budget

Salem — The 1961 legislature will be asked to approve a record two-year budget which calls for improvements in services and facilities without an increase in taxes.

Gov. Mark Hatfield announced late Thursday he will recommend a general fund budget of \$358.8 million for the 1961-63 biennium. This is an increase of \$46 million from the current budget.

The budget calls for a total expenditure of \$377 million, which includes dedicated funds. This is up about five per cent.

The biggest increase in the budget is in basic school support. An additional \$10 per census child asked by Hatfield would bring state support to \$115 a child, or 42 per cent of the total cost of schools.

Inclusions Listed
The budget includes:

—\$4 million for the medicare program.

—\$17 additional millions for local school support, designed to permit decreases in local property taxes.

—\$15 million for salary increases for state civil service workers, higher education faculty members, state police and other state officers.

—\$4 million to cover costs of anticipated additional students at Oregon's colleges and universities.

—\$5 million for improvements in the mental health program and \$800,000 for a state women's prison.

The school amount is short of that requested by the Oregon Education Association. The association favors a 50 per cent share of cost by the state. Hatfield commented that this is a "valid goal and one toward which we should strive."

Salaries Rank Second
The second biggest increase, 15 per cent, is for salaries of state employees.

Under Hatfield's plan, basic school support paid by the state would amount to \$124.4 million. Other expenditures, in millions of dollars: Higher education \$62.8; other educational services \$5.8; mental health \$28.9; public welfare \$42.9; corrections \$11.1; other programs \$53.8; improved salaries \$15; and building program \$15.8.

More Money Available
The biggest source of revenue in Hatfield's budget is \$205 million from the state personal income tax. This compares to \$188.6 million in 1959-61.

Other sources, in millions of dollars:

Corporation income and excise tax \$45; inheritance and gift taxes \$9; insurance taxes and fees \$11.7; liquor \$27.8; miscellaneous \$22.1; and a surplus of \$30.5 million.

The surplus, Hatfield said, includes \$5 million in "economies" made by his administration. The surplus is being plowed back into expenditures.

The budget anticipates a surplus of \$1.3 million at the end of the next biennium.

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Puerto Rico Demands Study of Relations

United Nations, N.Y. — Puerto Rican nationalists took advantage of the United Nations debate on colonialism today to demand an investigation of the island's relations with the United States.

