



CARS MIRED IN SNOW—Cars are shown mired in the snow-clogged Belt Parkway in Brooklyn, N.Y. A thousand people were trapped in their cars during the height of a snowstorm over the week end until emergency operations could rescue them. A ban on passenger car traffic will stay in effect until at least Tuesday to give crews a chance to clear roads. (UPI Telephoto)

American Ship Passengers Start Homeward Trip

Recife, Brazil — (UPI) — Forty-two Americans, who spent 12 hectic days as hostages of Portuguese rebels aboard the captive liner Santa Maria, made final preparations today for their trip home through the courtesy of the ship's owners.

The Colonial Navigation Co. promised to pay passages for the 607 persons who boarded the Santa Maria at Lisbon, Madeira, La Guaira, Venezuela and Curacao only to find themselves pawns in a sea-going revolution.

A spokesman for the company said losses incurred by the abortive revolt aboard the Santa Maria would amount to \$180,000. He said the ship will sail home empty to Lisbon, via Portugal's Cape Verde islands.

Bound for Miami

The Americans tentatively were expected to arrive by air in Miami Tuesday morning.

The Netherlands government returned its subjects by air. The Santa Maria's sister ship, the Vera Cruz, picked up the Portuguese, Spanish and other European passengers for the return trip home Sunday.

As one of the last acts in the bizarre voyage, a Requiem mass was held aboard the Santa Maria Sunday afternoon for the ship's officer who was killed when the rebels, led by Portuguese exile Henrique Galvao, seized the ship Jan. 22.

Third Finch-Tregoff Trial in Sixth Week

Los Angeles — (UPI) — The third murder trial of Dr. R. Bernard Finch, 44, and his sweetheart, Carole Tregoff, 24, moved into its sixth week today with the prosecution indicating it may conclude its case before Friday.

The defense then would have its chance to call witnesses, including Finch and Miss Tregoff, to testify about the July 18, 1959, gunshot slaying of the surgeon's socialite wife.

Kennedy's Message Pledge Reaffirmed To Hold Official Gold Price at \$35

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Kennedy reaffirmed his pledge to hold the official U.S. price of gold at \$35 an ounce, to avoid trade and investment exchange controls, and to carry forward this country's national security and economic aid programs.

"Those who fear weakness in the dollar will find their fears unfounded," he said. "Those who hope for speculative reasons for an increase in the price of gold will find their hopes in vain."

Among short-term proposals, Kennedy said U.S. banks should be allowed to pay higher interest on foreign-owned than American deposits as part of "a maximum competitive effort to attract and hold dollar balances which might otherwise be converted into gold."

He also said he would keep in effect Eisenhower's ban against Americans holding gold abroad. The President placed "everyone on notice that those few Americans who are tempted to speculate against the dollar will not profit in this manner."

The proposed reduction in duty-free imports by tourists and ban on use of "tax havens" by American firms were among a series of long-term recommendations by Kennedy. Others included:

- "Energetic" government leadership to help American industry and agriculture drive for more exports markets.
- "A major new program to encourage foreign travel in the United States."
- "Steps to keep American goods 'competitively priced' with those of other countries."
- "Placing American exporters 'on a basis of full equality with their competitors in other countries' in obtaining credit from the U.S. Export-Import Bank."
- "Maintaining restrictions by which not more than 20 percent of economic assistance and similar aid funds, which

totalled \$2.6 billion in 1960, can be spent outside the United States."

Pressing for prompt removal of the few quota restrictions which still exist against American exports in other countries.

"Urging 'those Western European countries with strong gold reserve positions to eliminate the restrictions they still maintain limiting the opportunities for their citizens to invest in the United States and other foreign countries.'"

Calling upon other industrialized countries of the free world to step up their share of contributions for economic assistance to the less-developed countries and the common defense.

Having Defense Secretary Robert S. McNamara review possibilities for saving money in logistic support of U.S. forces overseas.

Kennedy outlined other steps, as well, for reducing the military outpouring of dollars abroad, which at \$3 billion a year is one of the biggest single items involved in the balance-of-payments problem.

He said the United States would, where appropriate, urge Allies who are financially capable of doing so to buy the newer weapons and weapons systems of this country.

The President said this country would continue a policy, begun last November, of emphasizing procurement at home for U.S. military forces abroad "wherever practicable, even though some increased budgetary cost may be incurred."

"Since foreign procurement of this nature has amounted to almost \$1 billion a year, significant savings in dollar outflow can be expected," Kennedy said.

Kennedy said the situation "justified concern but not panic or alarm." He said the balance of payments deficit was \$3.8 billion last year, about the same as in 1959.

The President also stressed that the U.S. gold reserve, which now stands at \$17.5 billion is "some 2/5 of the gold stock of the entire free world." He said that "in any reckoning of international assets and liabilities, the United States has a strong solvent position."

"In short, powerful resources stand behind the dollar," he said, renewing his pledge that "the full strength of our total gold stocks and other international reserves stands behind the value of the dollar for use if needed."

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Alba Schools Send School Materials

A package containing samples of school materials used in the Alba, Italy, school system was recently received in Medford and is now being circulated among the city's grade schools.

The package was sent by the children of Alba to the children of Medford. It contains such things as books, art work and samples of writing.

Alba is Medford's sister city. City Councilman Robert Baccus, who is also head of the city's sister city committee, said the package was apparently sent in return for a similar package sent to Alba by Medford school children last fall.

Baccus said the materials have so far been to Jefferson and Wilson schools.

Big Industrial Issues Lead in Stock Decline

New York — (UPI) — Stocks were generally easier today with most of the decline among the big industrial issues.

Du Pont dropped around 2 1/2 points to give the Dow-Jones industrial average a loss of nearly 2 points at midmorning. Youngstown, Bethlehem and U.S. Steel were all down fractions. U.S. Rubber sagged 1 1/2. Texaco fell a point in the oils and gold shares slipped as much as 1/4 in Dome Mines.

Kennecott Down

General Motors lost close to a point in the autos, Kennecott 3/4 in the coppers, Coca-Cola 1/4 in the soft drinks, and RCA nearly a point in the electronics.

Gains ran to a point or more in Air Reduction, American Photocopy, Gerber Products, General Tire, Paramount Pictures, Standard Financial, and Norfolk & Western Railroad.

Guerrillas Attack Laos Army Convoy

Vientiane, Laos — (UPI) — Communist-backed Pathet Lao guerrillas today attacked a royal Laotian army convoy 25 miles north of here on the important Vientiane-Luang Prabang highway.

The army canceled a second convoy which was scheduled to leave here for Muong Kasay, site of the rear headquarters of a column that drove from Vientiane to Sala Phou Khoun.

Government forces have been bogged down by a shortage of gasoline in their drive on the rebel-held Plain of Jars with its strategic airfields.

Sources said a Laotian task force under the command of Col. Oudone Samakone has been unable to get ammunition and other supplies for two days because there was not enough gasoline to send truck convoys.

Rocket Experiment Called Successful

Washington — (UPI) — Space scientists report that a rocket experiment conducted Sunday at the Wallops Island, Va., station successfully met its primary objective.

The primary objective was to study the behavior under gravity-free conditions of liquid hydrogen, the high energy fuel which will propel spacecraft to other planets and the moon.

A second objective — recovery of a camera package mounted in the rocket's nose — was not achieved when rough seas prevented picking up the package.

Department Issues Party Suggestions

The Medford Recreation department has issued a party suggestion booklet containing ideas on how to celebrate three February holidays.

The special days are Valentine's Day, Lincoln's birthday and Washington's birthday. The booklets will be distributed to youth organizations. Requests for the booklets should be made to the department in the city hall.

In addition to party ideas, the booklet contains suggestions for special foods, decorations and games.

Repeal of School Reorganization Draws Frowns

Salem — (UPI) — Key legislators frowned today on a new bill to repeal the 1957 Oregon school district reorganization law, but agreed it may signal revision of some distasteful portions of the act.

Senate education committee chairman Monroe Sweetland (D-Milwaukie), and House Education Committee Chairman Tom Monaghan (D-Gresham), gave the repeal measure little chance of passage.

But both predicted the controversial 60 per cent vote now required to resist reorganization will be reduced to a simple majority.

Said Proven Unfair

The repeal measure was introduced in the Senate, where Sen. Ben Musa (D-The Dalles) headed a list of 5 senators and 10 representatives sponsoring the bill.

Musa said the law has proven unfair to thinly-populated areas, and said he hoped at least to win amendments to tone down the law and "protect minorities."

Sen. Walter Pearson, another sponsor, said the law has "shown it is undemocratic and unworkable... I hope this will force the legislature at least to amend it."

State Democratic Chairman Robert Straub, however, praised the law and said he would like to see "reorganization proceed more rapidly."

The Eugene senator said school district reorganization has become "an emotional issue." He added, "to improve the quality of education it is necessary to reduce the number of districts."

He said he probably would not fight the move to permit a simple majority of voters to reject reorganization.

Monaghan, author of the House Bill to permit a simple majority to turn down reorganization, indicated the repeal bill would die in his committee if it got that far.

Reading Workshop Scheduled Feb. 18

Ashland — A reading workshop, sponsored by the Ashland public school office in cooperation with the Jackson county public school office, will be held at the Ashland Junior High school Saturday, Feb. 18.

The workshop, for both elementary and secondary teachers of Jackson county, will have as its theme "The Improvement of Reading at All Levels." Dr. Donald Moore, assistant professor of English at Southern Oregon college, will be the principal speaker.

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Rusk Asks New United Nations Plan To Bring Peace To Congo

Washington — (UPI) — Secretary of State Dean Rusk called today for a new United Nations plan to "bring peace" to the Congo, and give the people there a chance to work out their own form of government.

He said the United States was consulting with other interested governments to see whether the U.N. mandate can be "clarified or strengthened" to give it the authority to carry out such a plan.

Rusk told his first news conference that the plan must "preserve the integrity" of The Congo.

He said the United States hoped that new approaches to the problem discussed would "uncover elements of consensus out of which more satisfactory answers can be found."

In both The Congo and strifetorn Laos, Rusk said, the difficulty was to find a solution which would end the outside pressures on those countries which threaten to drag them into the East-West war as potential battlegrounds.

Await Soviet Reply

On Laos, Rusk said the Soviet Union has not yet replied to a British suggestion to revive the old three-nation International Control Commission consisting of representatives of India, Canada and Poland to try to end the war and bring political order. He indicated that the United States was not in favor of a many-nation conference on Laos even if the Russians refused to reconvene the ICC.

In his general endorsement of new U.N. efforts to solve the Congo crisis, Rusk said "the primary responsibility rests, of course, with President Joseph Kasavubu and other Congolese leaders; the United Nations is there to help. The object is an independent and united Congo, an object which cannot be achieved if disorder continues or if the Congo is drawn into rivalries which originate elsewhere."

Rusk declined to say whether the United States would agree, as part of the new U.N. approach to The Congo, to release imprisoned former Premier Patrice Lumumba, who has many supporters and is the favorite of the Soviet Union.

On other major points, Rusk said:

"Serious problems between Russia and the United States will not suddenly disappear simply because there is a new administration in Washington or more civility in the words being used on both sides in the cold war. He said Russia's release of the RB47 airman removed a troublesome problem between the two countries but no one should suppose there will be any sudden elimination of big differences."

"It is not easy to achieve realistic disarmament without Red China and this is a problem which President Ken-

edy's disarmament experts are studying.

"Economic and social conditions in Cuba which led to the rise of Fidel Castro can be blamed principally on 'prior regimes but the members of the Organization of American States, including the United States, could have done a bit more. The neglect at present rests squarely on Castro."

"A 'major cooperative effort' with all Latin America is needed to build economies and foster democratic institutions there. He said the Kennedy administration thinks more in terms of "accelerated development" of Latin American countries, not just U.S. aid.

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