

# Mysterious Mr. X in New York Stock Theft Case Surrenders

Story Page 2A

## The Beauties of Scenic Oregon

(Oregon State Highway Commission Photo)



An autumn scene along the McKenzie river highway with two of the Three Sisters in the background.

# \$2 Billion Reduction Proposed in President Kennedy's Foreign Aid Funds

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 20 PAGES Two Sections MEDFORD, OREGON, WEDNESDAY, JULY 25, 1962 No. 108

## Kennedy May Send Group To Canada To Discuss Quota

By A. ROBERT SMITH  
 Mail Tribune Washington Correspondent

Washington (Special)—The Kennedy administration is expected to send a trade delegation to Canada to discuss the possibility of a voluntary quota that would stop the increase of lumber imports which have hurt the north-west lumber industry, informed sources said Wednesday. The delegation is likely to be headed by Assistant Secretary of Interior John Car-

## Some 70 Fires On State Lands Under Control

By United Press International

Some 70 fires caused by lightning late Tuesday were under control in Oregon this morning.

"I talked with the President and members of his staff and I know they are aware of the need for action," she said.

The trade talks are apparently the administration's alternative to the industry's demand for a unilateral quota to limit Canadian lumber imports to 10 per cent of American consumption. The White House opposes such drastic action at this time.

**Package Announcement**

Other items reportedly part of the package announcement by the President later this week are:

1. Creation of a new Assistant Secretary of Agriculture to ride herd on the forest service.
2. Increase allowable cuts of O&C and National Forest lands.
3. Seek early action by Tariff Commission on petition filed by the industry seeking relief from foreign imports.
4. Ask Congress for more funds for timber access roads.

This package is likely to be the Kennedy administration's answer to the demands from Capitol Hill and from the Pacific Northwest for some help against the intense competition from British Columbia mills which have vigorously entered the American lumber market from New York to Los Angeles.

## Railroads Agree To Consider Protest

Portland (UPI)—Officials of western railroads agreed Tuesday to consider a protest by Northwest lumbermen that proposed changes in railroad tariff schedules will increase the cost of shipping lumber to the east.

The Western Lumber Marketing association announced here that it has been told that its objections will be presented to the executive committee of the Western Traffic Association Thursday. The committee is composed of vice presidents of the railroads involved.

Lumbermen said the proposed changes would restrict the ability of western lumber and plywood shippers to make changes in stopoff points for shipments moving to the Midwest, the East and to Canada.

## Hatfield Closes Three More Areas

Salem (UPI)—Gov. Mark Hatfield has closed three more proclamation areas closing forest areas in Oregon to entry except by permit.

The closures, effective at midnight Wednesday include: The lower Cascade mountains from east of Colton south to the north Santiam river in the Clackamas-Marion district.

A small tract east of Estacada, also in the Clackamas-Marion district.

From the north Santiam river to the south Santiam river in the Linn district.



ARRIVES—Miss Martha Louise Wyatt was greeted with flowers and music as she arrived here Tuesday night as Miss Oregon for 1962. She was met by Dick Frey, president of the Medford Junior Chamber of Commerce, and Jim Butler, who organized and directed the Jaycee sponsored Miss Rogue Valley contest. From the Medford airport she was taken to the Rogue Valley Country club, where she was guest at a reception for participants in the Miss Rogue Valley pageant.

## Court Affirms Conviction of O. H. Bengtson

Salem (UPI)—The Oregon Supreme Court today affirmed the Josephine county embezzlement conviction of O. H. Bengtson, former Medford attorney and state legislator.

Earlier this year the high court affirmed a similar conviction in Jackson county, and Bengtson began a three year sentence in the Oregon Correctional Institution here. Superintendent Paul J. Squier said that Bengtson was shifted to the state penitentiary Feb. 20 because of crowded conditions at OCI.

The court, in a decision written by all seven justices, said the appeal in the Josephine county case presented the same issues of law decided in the Jackson county case.

The decision, affirming Josephine Circuit Judge Orval J. Millard, said the trial in Grants Pass was conducted with "meticulous care and fairness" and there was no doubt of Bengtson's guilt.

Bengtson was convicted of taking \$3,701 from the Medford Escrow Co., Inc. in 1959. At that time, he was the firm's secretary.

## Quarter-Acre Fire Results From Storm

One fire resulting from last night's lightning storm in the valley had been discovered by this morning.

The fire, which burned about a quarter acre in the Elliott Creek ridge area south of the Star Ranger station, was reported early today and was under control by 9:30 o'clock this morning.

Three smokejumpers were dispatched to the site by Rogue River National forest, and 1,000 gallons of borate were dropped. The fire is in the Applegate district.

## Alba Plans to Name Street for Medford

Medford's sister city—Alba, Italy—is planning to name a street in its new section "Medford Street," Mayor John W. Snider learned this week from Edwin C. Pancoast, European assistant director of the U.S. Information Agency.

Medford street and one to be named "Telstar Street" will be named following Thursday's Telstar telephone experiment between Mayor Snider and Alba's Mayor Osvaldo Cagnasso.

According to the USIA, the town of Alba had been selected for the historic experiment was received by its inhabitants with an astonished surprise that had turned into enthusiasm.

"The citizens of this town in northern Italy," the announcement continues, "internationally known for its wines and truffles, are well aware of the importance that the Telstar experiment will have not only for Alba, but for the world. They are proud that the name of their town (Alba means dawn in Italian) is a

## Several Hundred Greet Miss Oregon On Her Return Home

Several hundred persons greeted Martha Louise Wyatt, Miss Oregon for 1962, when she arrived home last night. On arrival she was serenaded by members of the Lynn Offord combo, and a red carpet was rolled out by the Medford Junior Chamber of Commerce.

She was presented bouquets of flowers by County Judge Earl Miller, representing the Jackson county court; the Jacksonville volunteer fire department; and a key to the city by Mayor E. O. Graham of Jacksonville.

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## Appropriations Study Indicates Trouble Ahead

President Wins Authorization

Washington (UPI)—The chairman of the House Foreign Aid Appropriations committee today proposed a \$2 billion cut in President Kennedy's foreign aid funds.

Kennedy won the first round Tuesday, when the House approved and sent him a bill authorizing a \$4.6 billion ceiling on foreign aid for the fiscal year which started July 1.

But the actual money must still be appropriated, and the legislation to do that was being studied by appropriations subcommittee Chairman Otto E. Passman (D-La.).

He defeated Kennedy on the issue last year and hopes to do the same this time.

Passman told United Press International in an interview that it was time for Congress to cut foreign aid spending to the \$2.5 billion level.

**Storm Clouds Ahead**

"Why, even if we give them \$3.5 billion," he said, "they wouldn't know what to do with it."

This means storm clouds ahead for the White House, which told Congress last January that \$4.9 billion was needed to run the foreign aid program.

Congress authorized \$206 million less but Passman hopes to cut the original request almost in half. He points to unused funds from past years and the imbalance of payments problem as good justification for the move.

Chances are that Passman will not win the drastic cuts but the reductions his House subcommittee votes probably will be large enough to prompt an appeal by Kennedy to the Senate for restoration of the money.

Passman kept the foreign aid program just below \$4 billion last year. This represented an \$860 million slash from what Kennedy originally wanted. This year Passman wants to make that cut more than \$2 billion.

In the authorization bill approved Tuesday, Congress gave Kennedy authority to continue U.S. aid to Poland and Yugoslavia when he considered it vital to American interests. Kennedy wanted the power to take advantage of cracks in the Iron Curtain.

## Masked Man Robs Benson Hotel Bar

Portland (UPI)—The bartender at the posh London Bar and Grill in the Benson hotel was robbed of \$200 early today by a man who masked his face with a white handkerchief.

Bartender Frank Bartolotta told police he was counting the money before closing up. He said when he turned around the bandit was standing by the money and indicating a gun under another handkerchief over his right hand.

The robber ordered Bartolotta to leave the bar and then fled with the money.

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## Cost of Living Reaches Another Record Figure

Washington (UPI)—The cost of living rose to another record high last month, knocking another penny off the buying power of a \$10 bill, the government reported today.

The Labor Department said the increase was due largely to a sharp rise in prices for fresh fruit, such as apples and watermelons. Another contributing factor was an increase in medical care costs.

The department said the June cost of living index stood at 103.3, up from 103.2 in May. This meant it cost \$10.53 last month to buy goods and services that could have been obtained for \$10 during the base period.

## Record 103.5 Per Cent

The food index itself climbed to a record high of 103.5 per cent, primarily because of a substantial rise in the cost of eating out. Prices for restaurant meals were 2.8 per cent higher than a year ago.

Officials said the increase in the consumer price index was strictly seasonal. It has shown a gain every June for the past 10 years. A spokesman predicted there would be little or no change in July's figures.

The department said a 9 per cent increase in fruit prices, principally apples and watermelons, were the biggest factors in the increase.

Medical care costs climbed by three-tenths of 1 per cent in June because of higher charges for hospitalization insurance, hospital room rates and professional fees.

## O and C Group May Discuss Road to Mt. Ashland Area

A meeting to discuss the proposed road to the Mt. Ashland ski resort area may be called by Darrell Jones, Clackamas county commissioner and president of the Oregon Association O and C Counties. County Judge Earl Miller said today.

Possibly the reason no bids were received on the proposed Mt. Ashland ski area development was that no construction job had been advertised for the road into the area.

Regional Forester J. Herbert Stone wrote Jones giving the progress on the road planning and designing and enclosed a copy of a letter from the regional office of the forest service to Sen. Wayne Morse (D-Ore.).

The letter to Morse gave the reasons for selecting the Siskiyou summit route over the suggested Bull Gap route.

The O and C counties earlier allocated \$200,000 for fiscal year 1962-63 for clearing and grading half of the road. The money would come from O and C receipts, or the counties' share of receipts from timber sold from O and C lands.

In his letter to Jones, Stone noted that the road construction contract probably could not be awarded before the fourth quarter of the current fiscal year because of earlier commitments of O and C funds such as work on Agness, Spencer creek and Clackamas River rds.

The O and C counties' representative may discuss the possibility of the road contract being put up for bid earlier than the fourth quarter, and whether the contract on construction of the Mt. Ashland ski area should be awarded before the road construction is started.

A tentative program for the remainder of the road clearing and grading has been set for fiscal year 1964. Stone stated. No program plans have been made yet for the paving work, estimated at \$291,208, Stone added.

## Hoffa Condemned By Subcommittee

Washington (UPI)—The Senate rackets subcommittee today harshly condemned Teamsters President James R. Hoffa as a man who doesn't care whether union racketeers rob or steal members' money.

The subcommittee concluded in a formal report to the Senate that Hoffa defiantly refused to cleanse teamsters locals of criminal elements and brazenly ignored the welfare of his 1,600,000 members.

Investigators found further that Hoffa used every available means to thwart clean-up campaigns by court-appointed monitors. Hoffa even rewarded tainted local officers by promoting them to jobs high in the international union, they said.

Hearings on which the subcommittee's report and findings were based were held in January 1961. Chairman John L. McClelland explained that the issuance of the report was delayed until after the trial for bribery of Antonio (Tony Ducks) Corallo, former New York teamsters official and "one of the most powerful underworld figures in the New York area." Corallo was convicted last month.

## Thompson Will Be Tried in California

Donald Martin Thompson, Klamath Falls, is scheduled to be tried in Contra Costa county, California, Sept. 12, for armed robbery.

Thompson was found innocent in Jackson county earlier this year of the 1959 Labor Day week-end holdup of the Safeway store in the Medford Shopping Center. He had been sentenced to life imprisonment following a trial in 1959 on the Medford incident, but successfully appealed his case to the state supreme court.

Two police officers who testified at the two Jackson county trials have been notified they will be expected to testify at the California trial are Medford Police Lt. Lyle Perkins and Capt. Lyle Harrell, Salem, head of the criminal division of the Oregon state police.

Thompson was reported to be out on bail and was believed to be working in Eugene.

## GOOD WEATHER WAITED

Honolulu (UPI)—The United States hoped today that the weatherman would cooperate long enough so that the seemingly jinxed second high altitude nuclear test over Johnston Island could be held.

**NEWS BRIEFS**  
 ITEMS FROM AROUND THE GLOBE

**RUSK LEAVES ISSUE DEADLOCKED**  
 Geneva (UPI)—Secretary of State Dean Rusk flew back to Washington today after five days of East-West meetings which failed to resolve the Berlin deadlock.

**NATO COUNCIL SELECTS LEMNITZER**  
 Paris (UPI)—The North Atlantic Treaty Organization (NATO) permanent council today unanimously named Gen. Lyman L. Lemnitzer of the United States as new allied supreme commander in Europe to succeed Gen. Lauris Norstad.

**UNION VOTES TO STRIKE PAN-AM**  
 New York (UPI)—The Transport Workers Union has voted "overwhelmingly" to strike against Pan-American World Airways to back demands for wage increases, the union announced today.

**WEATHER**

FORECAST: Continued fair and hot with up valley winds to 20 mph Thursday afternoon. Low tonight 55, high tomorrow near 92.

High Yesterday	Temp.
Lowest This Morning	191
High Tomorrow	92

**Our Skies Tonight**

Sunrise today	5:18 a.m.
Sunrise tomorrow	5:17 a.m.
Sunrise tomorrow	12:35 p.m.
New Moon	July 31

**PROMINENT CONSTELLATIONS**

Scorpius, in the south	10:21 p.m.
Visible Planets	
Saturn, rises	8:21 p.m.
Venus, low in west	9:45 p.m.
Jupiter, rises	9:45 p.m.
Mars, rises	1:19 a.m.