

Reaction To Gov. Hatfield's Inaugural Address Mostly Favorable

Foreign Briefs

HAND GRENADE AT CIRCUS KILLS SIX
Saigon, South Viet Nam—Six persons were killed and 58 others injured at a circus performance in Phuoc Tuy Province last Friday when an unidentified man threw a hand grenade into a crowd of spectators, the government press agency reported here.

GEORGIAN OFFICIALS EXECUTED FOR THEFT
Moscow—The newspaper Zarya Vostoka has reported the execution by firing squad of three Georgian officials it said stole and sold \$300,000 worth of goods.

KENNEDY ADVISER, ITALIAN MINISTER CONFER
Rome—Henry A. Kissinger, President Kennedy's special adviser on military matters, conferred with Italian Defense Minister Giulio Andreotti Monday. An announcement said only that the two had a "long and cordial discussion on military problems of interest to their two countries."

BRITISH MINISTER TO YEMEN RECALLED
London—Christopher Gandy, British minister to Yemen, has been recalled to London for official consultations, according to informed sources here.

Increased Business Activity Expected

New York—The business community looked forward today to higher stock prices and increased business activity under the stimulus of President Kennedy's tax cut proposals.

Wall Street analysts generally agreed that the proposed \$10 billion tax reduction would lure traders into the market.

Some, however, said the President's statement on taxes had been anticipated, thus blunting any bullish tendencies. They said the market already has been rising in expectations of Kennedy's call for lower taxes.

The National Association of Manufacturers, while endorsing the call for a tax cut, was less enthusiastic about what it described as Kennedy's overorientation "toward a quick pickup in economic activity."

Self-Help Program Is Stressed by IRS Agent

Portland—The Internal Revenue Service during the 1963 income tax filing season will again stress self-help as its basic theme of taxpayers assistance. A. G. Erickson, director of Internal Revenue for Oregon, has announced.

"The self-help program has been in effect for a number of years," Erickson said, "and we believe that more and more taxpayers are becoming familiar with the requirements for the proper preparation of their Federal income tax returns. Essentially, self-help means that taxpayers complete as much of their returns as possible before asking help from us. Most taxpayers can do the whole job if they will carefully read the form itself and its accompanying instruction booklet."

"We shall again stress our telephone assistance program, which will enable taxpayers with a problem or two to call us for a quick answer designed to enable them to complete the preparation of their returns. Office assistance will be available where required but will naturally entail considerably more of the taxpayer's time."

"The most important thing for the taxpayer in preparing a return or in seeking telephone or office assistance is to have all of his 1962 financial records at hand and to have all the necessary facts in mind."

Erickson reminds taxpayers "that it will be much easier to prepare a return or to obtain any help needed now than during the late stages of the season when telephone lines are jammed and offices are crowded."

Decision on Pears Expected This Week
Whether or not the offer of local winter pears for the federal school lunch program is acceptable by the department of agriculture will be learned Thursday morning, a local pear shipper said.

Local pear shippers have offered for sale to the federal institution's program 265 carloads of Comice, D'Anjou, Winter Nellis and Bosc pears through the Rogue Valley Marketing association.

These are of sizes which are not in demand on the general market.

MEET LLEWELLYN THOMPSON
Our Expert on the Kremlin

"The President urgently requests your presence" is a message that Ambassador-at-Large Thompson has learned to take in his stride during his 34 years of experience in the diplomatic corps. He is probably America's top expert on Kremlin affairs.

He advises the White House in times of grave crises, while his wife decorates their home one moment and entertains premiers the next. For the hectic life of a diplomat at home and at work, read this interesting profile by Jack Ryan, in another of the series "The Men Who Decide Our Destinies."

in the JANUARY 20TH Weekend Issue of **Family Weekly** with your copy of the **Medford Mail Tribune**

Senate President Disenchanted With Tax Plans

Salem—Reactions to Gov. Mark Hatfield's inaugural address ranged today from "very profound" to "flowery."

Senate President Ben Musa (D-The Dalles) called the speech profound and sincere and said "it appraises us of the problems."

Musa added, however, he was "still disenchanted with the gross income tax which he (Hatfield) proposes." Musa promised the Hatfield program would get "a careful and thorough going over."

House Speaker Clarence Barton (D-Coquille) called the speech comprehensive, but declined to comment in detail without studying it further.

Barton said, however, unlike Musa, he agrees with Hatfield on the key tax issue. Barton said he stands with Hatfield in support of a net receipts tax, which his own tax committee advocated in 1961.

Pearson: 'Equal Time'
Sen. Walter Pearson (D-Portland) labeled the Hatfield address "rather long and flowery" and added, "I would need equal time to reply."

Rep. Richard Eymann (D-Marcus) said the Hatfield program was "in general... liberal on issues."

Eymann, who will head the key House Tax Committee, however accused Hatfield of making "a \$405 million budget talk and a \$500 million inaugural talk."

Most legislators agreed the message took in the major problems facing the session, but there was considerable disagreement over specific solutions proposed by Hatfield.

A suggestion by the governor to merge the boards of education and higher education won favorable comment from several lawmakers.

Rep. Stafford Hansell (R-Hermiston) said it "makes real sense."

Rep. Joe Rogers (R-Independence) said he liked the proposal, and Musa called it "a good idea."

Walsh Hits Idea
But William Walsh, president of the Board of Higher Education, however, promptly issued a statement against combining the two boards.

"The responsibilities of the two boards are very different and there is not much overlapping of interests," he said. He added a new coordinating board has improved cooperation between the two boards.

The warmest praise for the address as a whole came from members of the governor's own Republican party.

House Minority Leader F. F. Montgomery (R-Eugene) said the message reflected "recommendations of a sound administrator who shows keen concern for the needs of our state."

"His call for harmonious relations should be heeded," Montgomery added.

Senate minority leader Anthony Yturri (R-Ontario) said Hatfield "has chartered a course of action which is well considered and in keeping with the progress of our state. We could save time and money by enacting much of his program promptly."

Boivin Opinion
In addition to Musa and Barton, other Democrats also had good words for Hatfield's overall approach. Sen. Harry Boivin (D-Klamath Falls) Senate president in 1961, said there was "a lot in it I liked."

Rep. William Holmstrom (D-Gearhart) called it "an excellent presentation... that gives the legislature a real goal to shoot for." He called Hatfield contradictory, however, in opposing more highway bonding.

Seven Students Make Honor Roll

Two of the seven students from Medford who made the honor roll at the University of Oregon for its fall term, received all A's.

The two straight A students were Linda Faye Hess, daughter of Mr. and Mrs. M. L. Hess, 750 Lozier lane, and Richard James Licht, son of Mr. and Mrs. Carl A. Licht, 544 Whitman place.

Other honor roll students are Mary Margaret Barker, daughter of Mr. and Mrs. William A. Barker, 2430 Hillcrest dr.; Susan Laveta Coffman, daughter of Mr. and Mrs. J. T. Coffman, route 2; Mieke Kae Noble, daughter of Mr. and Mrs. C. F. Noble, 430 Haven st.; Michael Victor Phillips, son of Mr. and Mrs. Kenneth V. Phillips, 1909 Roberts rd. and Pamela May Stacey, daughter of Mr. and Mrs. George E. Stacey, route 3.

Walsh Opposed To Combining Oregon Education Boards

Salem—William Walsh, the president of the state board of higher education, look strong exception today to Gov. Mark Hatfield's plan to combine the boards of higher and lower education.

Shortly after the governor finished his inaugural address Walsh released the following statement:

"If the work of the two boards should be combined, I don't see how it could be possible to appoint board members and expect them to do a responsible job."

Coordinating Council
"The areas in which the interests of the two boards coincide are now being studied by a coordinating council made up of representatives of both bodies, and staff committees are at work. The coordinating board is fairly new, and it seems to be working very effectively."

"In my judgment, before such a major change is made, a thorough and extensive study should be made to be certain the proposal is in the best interests of the state. It is my impression that most other states have moved, or are moving, in the opposite direction."

More Complex
"The members of the state board of higher education devote at least 30 full days a year to the work of the board. The officers devote a good deal more than that. Combining the boards would make the job even more complex and demanding. A member would need to neglect either the work of the board or that of his full time outside activities or occupation."

"Actually, the responsibilities of the two boards are very different and there is not much overlapping of interests. The state board of higher education is essentially a policy determining body, directly charged with fiscal and curricular management of the

Expenses Should Be Substantiated
Portland—Taxpayers should not try to approximate their travel and entertainment expenses without any substantiation for the taxable year 1962, the last year that the Cohan rule will remain in force under the 1962 Revenue Act.

A. G. Erickson, director of Internal Revenue for Oregon, said the Internal Revenue Service will employ the same standards to such expenses for the 1962 taxable year as in the past.

He said these standards require the taxpayer must prove that some expense actually was incurred; that the expense claimed is so directly related to the business of the taxpayer that it qualifies as an ordinary and necessary business expense; and, that a basis for approximation has been constructed from available evidence both as to the amount and the business purpose of the expenditure claimed.

The Cohan rule has been nullified by the 1962 Revenue Act effective Jan. 1, ending the privilege of taxpayers to approximate travel and entertainment expenses when they did not maintain adequate records in support of the deductions.

Federal Funds for Education Allowed
Salem—The State Emergency Board today authorized the use of \$287,000 in federal funds "for the improvement of the instructional program" of lower education.

Two educational requests were referred by the board to the Ways and Means committee for action at the suggestion of Rep. Clarence Barton (D-Coquille).

One was \$1,937,500 for land acquisition for Portland State college, the other \$89,000 for Oregon Technical Institute land acquisition.

Monday's prices on selected stocks

Allied Chemical	46
Alum. Co. Am.	59 1/2
American Air Lines	46 1/2
American Can	18 1/2
American Motors	118 1/2
A. T. & T.	31
American Tobacco	31
Anaconda Copper	43 1/2
Armco	54 1/2
Bethlehem Steel	31 1/2
Boeing Air	39
Brunswick	19 1/2
Coca Cola	89 1/2
C. B. S.	47 1/2
Columbia Gas	45 1/2
Continental Can	49 1/2
Crown Zellerbach	49 1/2
Curtis Steel	17 1/2
Curtis Wright	17 1/2
Dow Chemical	62 1/2
Du Pont	238
Eastman Kodak	113
Firestone	35 1/2
Ford	48 1/2
General Electric	72 1/2
General Foods	61 1/2
General Motors	59 1/2
Goodyear	48
Gulf Oil	24
Greengroup	40
Honesty	41 1/2
Idaho Power	39 1/2
I. B. M.	414 1/2
Int. Paper	29 1/2
Johns Manville	25
Kennecott Copper	70 1/2
Lockheed Aircraft	53
Martin	22 1/2
Merck	82
Montana Power	37 1/2
Montgomery Ward	34 1/2
National Biscuit	43 1/2
New York Central	15 1/2
Northern Pacific	39 1/2
Pac Gas Elec.	33 1/2
Penn. S. C.	43 1/2
Pepsi Cola	17 1/2
Perma Cement	14 1/2
Phillips	47 1/2
Procter & Gamble	74
Radio Corporation	61 1/2
Richfield Oil	40 1/2
Safeway	47 1/2
Santa Fe	26 1/2
Sears	76 1/2
Shell Oil	35 1/2
Socony Mobil Oil	59
Southern Co.	53 1/2
Southern Pacific	29 1/2

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702 West Main

NU-WAY CLEANERS
601 East Main

Ulbricht Accuses Red Chinese At East German Party Congress

Berlin—East German Communist boss Walter Ulbricht today accused Red China of aiming at war. He charged that the Communist Chinese attacked India without consulting other Communist nations.

Ulbricht delivered the charge in the early part of a five and one-half hour speech to the opening session of the East German Communist party's sixth congress.

Soviet Premier Nikita Khrushchev, the No. 1 guest, beamed approvingly.

Red Chinese Impassive
All the delegates from East Germany and visitors from other Soviet bloc countries applauded enthusiastically but Red China's delegate, Wu Hsiun-chuan sat impassively.

In fact, the Chinese delegation remained almost motionless while delegates all around them interrupted eight times with applause for Ulbricht's onslaught against Albania and Red China.

Without using Red China's name Ulbricht said the quarrel between Moscow and Peking is not merely an internal one among Communists but one that affects world peace.

"The arguments between the Soviet Union and the disidents are about questions of peace or war," he declared.

Criticizes Indian Attack
He referred repeatedly to the Albanians "and those who stand behind them"—meaning Red China.

Ulbricht portrayed this as contrary to the policy of peaceful coexistence agreed upon by Communist bloc nations.

Ulbricht, referring to the Red Chinese and Albanians as "dogmatists" and "dissidents," charged they are "fundamentally against the policy of peaceful coexistence."

"They are oriented toward war," he declared.

Despite this, Ulbricht said, the East German Communist press had deliberately refrained from commenting on the Chinese-Indian border dispute so as not to aggravate it.

"We maintain good relations with India. We want to keep them in the future, too. This frontier conflict is highly superfluous and is abhorrent to the socialist world system."

Here again he appealed for compromise between the two states.

The goateed East German leader thus touched at the beginning of the conference a controversy that has had the Communist world choosing sides. It was obvious Ulbricht was on the Kremlin's side, despite his past reputation for being a tough-minded Stalinist.

Sought Direct Talks
He declared that West and East Germany began preliminary contacts last fall aimed at direct political talks, but said they were broken off in the Cuban crisis.

He said East Germany also had approached West Berlin Mayor Willy Brandt about the Communist Berlin wall, but did not say what the answer was.

Ulbricht mentioned these things to support the theme that European problems can be settled by compromise as was the Cuban crisis between President Kennedy and Premier Khrushchev.

"War has become unrealistic in the settlement of any disputes," Ulbricht declared. "The prevention of nuclear warfare has become a matter of life and death for all humanity. Therefore, disputes must be settled through negotiation."

Three Institutes Planned With Grants

Eugene—The University of Oregon has received \$137,600 worth of grants from the National Science Foundation earmarked for support of three summer institutes for high school and college teachers.

A grant of \$65,300 will provide stipends for 50 high school mathematics teachers to attend an institute in mathematics. Dr. A. F. Moursund, professor of mathematics and head of the department at the university, will direct the institute.

An institute in marine biology for college teachers will offer 25 stipends from a grant of \$35,200. The institute will be directed by Dr. Richard W. Castenholz, professor of biology.

Dr. Arnold L. Soderwall, professor of biology, will direct an institute for high school biology teachers. There are 25 stipends available from a grant of \$37,100.

The summer institutes offer teachers specially designed courses in their field of study. Participants are selected by representatives of the institutes.

SEEKS ONE SERVICE
Washington—United Air Lines was to ask the Civil Aeronautics board today to approve a one-class service designed to hit a happy medium between coach and first class travel.

BLAMES RIOTS ON U.S.
Damascus, Syria—Syril Agrarian Reform Minister Amin Nafouri charged Monday night that the United States had fomented the riots in this country over the week end.

DOW JONES AVERAGES
New York—Dow Jones final stock averages: 30 industrials \$75.74, up 4.14; 20 railroads 148.31, off 0.37; 15 utilities 133.63, up 0.24, and 65 stocks 238.32, up 0.78. Sales Monday were about 5 million shares compared with 4.41 million shares Friday.

1963 RAMBLER WINS "CAR OF THE YEAR" AWARD

from Motor Trend Magazine

Each year the automobile industry eagerly awaits the selection of one car as "Car of the Year" by Motor Trend's impartial experts. For 1963, this most-wanted, hardest-to-get honor goes to Rambler... for outstanding design achievement and engineering leadership. Read why Rambler won this prized award over all other cars.

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and continues to be on the new models... doors are precision-fit. "In the field of unitized bodies, which American Motors pioneered, this latest design represents a real advancement and the biggest single reason we chose Rambler Car of the Year."

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"There isn't any pitch noticeable even on rough roads..."

"Good safety device. Self-adjusting brakes, dual master cylinders... if one system fails, the other brings the car to a safe stop."

"Our Classic was equipped with the rugged, ohv in-line Six engine."

"Highway cruising (60 to 65 mph) gave a high of 26.7 mpg... mixed city and freeway gave 23.4."

"Plenty of legroom. Trunk is large."

"A sportier, more performance-oriented vehicle, the Ambassador should satisfy the wants of the buyer who favors performance. Console mounted Twin-Stick Floor Shift overdrive unit."

"Rambler American... more interior space than the size would indicate, and no compromise... in riding comfort."

"Ample performance. At high cornering speeds the car felt stable."

"Rambler's are designed for rough-country use... plenty of road clearance."

"Summing up... it looks like the new Rambler will be an even better buy than in previous years."

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