

CONGRESS GETS RECORD BUDGET

Kennedy Requests \$300,000 To Start Agate Dam Construction

\$65,000 Listed For Maintenance Of Rogue Project

Only Reclamation Project in Oregon

By A. ROBERT SMITH
Mail Tribune

Washington Correspondent
Washington—President Kennedy today asked Congress today for \$300,000 to start another federal irrigation project in the Medford area.

The funds, listed in Kennedy's new budget, would permit the Bureau of Reclamation to start work on the Agate dam project, a \$1,802,000 undertaking which Congress authorized last fall under legislation sponsored by Sens. Wayne Morse and Maurice Neuberger and Rep. Edwin R. Durno, who since retired.

Only Oregon Project

This is one of seven new reclamation projects in the country, the only one in Oregon, for the coming year.

When completed, the new project would irrigate 1,810 acres of dry land and provide supplemental water for 4,820 acres. Agate dam and reservoir and Antelope diversion dam would store 4,600 acre feet of water from Dry creek and Antelope creek.

The project is part of the Talent division of the Rogue river irrigation project. The budget also lists \$65,000 for operation and maintenance of the Rogue river project.

The National Park service budget for Crater lake improvements is \$183,000 for completion of duplex residences for park staff personnel.

USDA to Purchase Pears in Oregon

The department of agriculture will purchase 407 cars of surplus winter pears for the nationwide school lunch program, Sens. Maurice L. Neuberger and Wayne L. Morse have been advised.

Of the total of 377,282 boxes, cartons and lugs, the Medford district will be asked to provide 149,408 boxes, at prices ranging from \$2.29 to \$3.49, the senators told the Mail Tribune.

The pears will be mainly D'Anjou, and shipments will be made between Jan. 28 and March 2.

The decision to purchase the pears was announced by Agriculture Secretary Orville Freeman, and was the outgrowth of a meeting arranged by Oregon's senators in December between Pacific coast pear industry officials and Deputy Secretary Charles Murphy, during which the pear men explained the depressed condition of the market, due to oversupply, and requested relief as provided by federal statute.

Oregon packers will be invited to supply 248,848 boxes, with the Hood River district supplying 78,880 boxes at prices ranging from \$2.68 to \$3.22.

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INSPECTS DAMAGE—Hubert Beer, construction foreman for the Medford water department, inspects damage to the 18-inch water main that crosses under Bear creek north of the Jackson st. bridge. The hole in the main occurred sometime during the Dec. 2 flood. Water department crews replaced the damaged section of pipe and the main was returned to service today.

\$100,000 Included In Budget for Work On Rogue Planning

Congressman Robert B. Duncan (D-Fourth Ore.) today reported that \$100,000 is contained in the President's 1964 budget for planning advance engineering and design work for the Lost Creek reservoir.

This is the first money to be asked for major work on the Rogue Basin project, which ultimately will cost some \$106 million. The funds are contained in the Corps of Army Engineers budget, Duncan said.

Downtown Property Owners Meet Today

Concrete steps toward formation of the first parking district in Medford are expected to be taken by a group of downtown property owners at a meeting this afternoon at North's Chuck Wagon.

Medford Chamber of Commerce President Bill Williams, who called the meeting, said that action is contemplated that will look toward "the formation of a downtown mall and a rejuvenation of the entire downtown Medford."

City Planning Director Ned Langford and Medford Architect Jack Edson are scheduled to present a series of colored slides to the group dealing with the development of the civic center and core area of Eugene.

Happy Nikita Greets American Officers at Wall

Jovial Premier Waves To Crowd

Berlin —(UPI)— Soviet Premier Nikita Khrushchev paid his first visit today to the Berlin Wall, and in a happy mood shook hands with U.S. Air Force officers and waved to West Berliners across the border.

He grinned and mugged happily for onlookers, pumped the hands of two American officers, cracked jokes and strode up to the border at the American-manned Checkpoint Charlie crossing point.

The two American officers he greeted like a campaigning politician were Col. Glenn Stell, Houston, Tex., and Maj. Edward Komiyati, whose address was not immediately available.

Stell and Komiyati were escorting a group of visiting Italian politicians, who had just completed a bus tour of East Berlin, when Khrushchev appeared.

When Khrushchev walked up to the border line, a row of West Berlin police and U.S. British and French military policemen armed with automatic weapons formed on the opposite side.

Obviously enjoying himself, Khrushchev was not in the least bit awed by this display and waved with both arms to a gawking crowd of 50 to 75 West Berliners on the other side. East German Communist boss Walter Ulbricht stood a few yards back of him, looking apprehensive.

The Soviet leader showed up about 1 p.m. at Checkpoint Charlie where Soviet and American armor faced each other at point-blank range 15 months ago. He stayed about 30 minutes.

First indications were that the visit was unannounced. But the big turnout of Communist leaders and East German border guards who greeted him made it clear that everything had been arranged well in advance.

Council to Consider Awarding Contract

Award of a contract to a San Francisco firm for a development plan for the Bear creek park site will be considered by the Medford city council at its meeting tonight in the city hall.

The city park and recreation commission has recommended to the council that the contract be awarded to the landscape architect firm of Royston, Hanamoto, Mays and Beck.

Master site plans also would be drawn up by the firm for development of the banks of Bear creek through Medford, and for the redesign of Hawthorne park.

Costs would be on a per hour basis with a maximum total cost of \$8,500 for the three plans. The city's park and recreation improvement fund would pay \$6,000 of the cost. The remaining \$2,500 would come from the Hawthorne park development fund.

Public hearings are scheduled on proposals to construct a sanitary sewer on Kenyon st., to install an 8-inch water main on Biddle rd., and to annex to the city the Chestnut st. area north of Stewart ave.

Duncan Placed on Two Committees

Washington —(UPI)— House Democrats today completed their legislative committee assignments and the House promptly approved them.

Oregon — Edith Green, of Merchant Marine, stays on Education-Labor, off administration. Freshman Robert B. Duncan, on Interior and Agriculture.

City Department Crews Replace Bear Creek Main

Medford water department crews today returned to service the 18-inch water main that crosses under Bear creek north of the Jackson street bridge, according to Robert E. Lee, water superintendent.

The main, along with a 12-inch main under Bear creek near the Main st. bridge, was damaged during the Dec. 2 flood. The 12-inch main was repaired the day after the flood at an approximate cost of \$3,000, Lee said.

Earlier, Lee had estimated that the Jackson st. bridge water main could not be repaired until spring, but recent weather conditions have been so favorable the decision was made to go ahead with the repairs now.

At Lowest Stage
With Bear creek at its lowest stage of the year, water department crews constructed a cofferdam last week to hold creek water away from the main.

The 18-inch pipe was replaced last Wednesday, Lee said, and the new main was then sterilized for a period of five days. Following receipt of a satisfactory lab report yesterday on the condition of the water, the main was put into service today. Total cost for the project was estimated at \$1,500.

"This is a permanent repair," Lee stated, "and we anticipate no further difficulty with the main."

At the same time, he announced that present plans call for the replacement of the Main st. water main this summer. The line will be removed from the creek bed and new pipe will be hung from the bottom of the bridge.

Paul Hanlin Resigns As Chief Jailer

Paul Hanlin, chief jailer for Jackson county for 4½ years, has resigned effective today, according to Sheriff DeArmond Leigh.

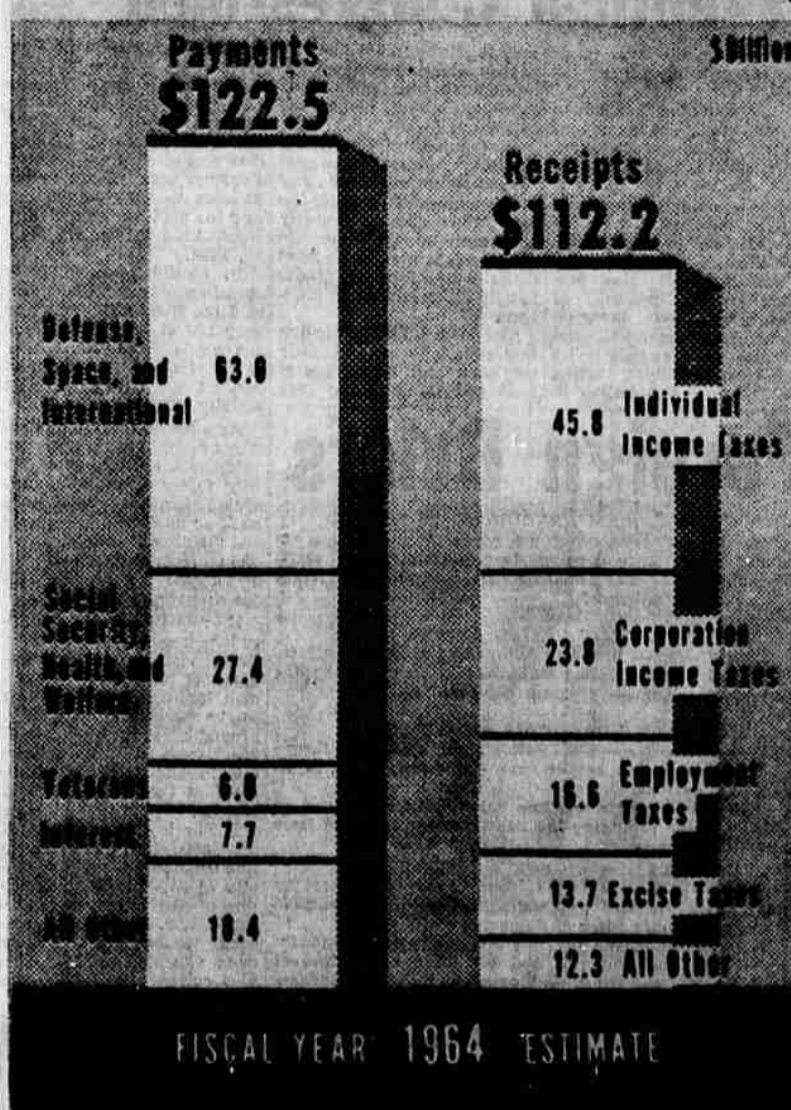
Sgt. Glenn Wright has been placed in charge of the jail. His duties also include those of identification and records officer. Robert Lowe, Jacksonville, until recently relief jailer, has been hired as full time jailer, Leigh said.

Leigh said he regretted Hanlin's resignation. "We have lost the services of one of the finest citizens of Jackson county," the sheriff said.

Another deputy in the jail, Clinton Ingle, resigned Friday, the sheriff announced. Leigh said some further staff changes will be made, but gradually. He also plans to have deputies live in the areas which they patrol. He has hired John Mason Anderson, Applegate, to patrol the Applegate. Anderson is a former captain on an Idaho police department, the sheriff said.

SALE DISCUSSED
Astoria —(UPI)— City officials met with a local group Wednesday to discuss sale of the former Tongue Point Naval Station site to the city by the General Services Administration.

The FEDERAL BUDGET



One of Biggest Deficits Claimed To Be Temporary

Republicans Term Plans Illusory

Washington —(UPI)— President Kennedy today sent Congress the biggest budget in history — come war or peace — and one of the biggest deficits.

He called for federal outlays in the 12 months starting July 1 of either \$98.8 billion or \$122.5 billion — depending on your budget approach. One way would mean a \$10.3 billion deficit. The other way the deficit would be \$11.9 billion.

But Kennedy insisted that such heavy red-ink spending would be succeeded before too long by budget surpluses and widely sharpened prosperity if Congress would approve his new \$10 billion tax cut plan.

Lecturing the lawmakers, some of whom are skeptical of reducing taxes without companion spending cuts, the Chief Executive declared: "Our present choice is not between a tax cut and a balanced budget. The choice, rather, is between chronic deficits arising out of a slow rate of economic growth, and temporary deficits stemming from a tax program designed to promote fuller use of our resources."

Republicans Object
Not unexpectedly, Republicans termed Kennedy's spending plans incredible, cynical and illusory. Democrats who spoke out praised specific programs such as defense and space but were cautious in their overall appraisals.

House Republican Leader Charles A. Halleck of Indiana said the taxpayer would be the loser — either through inflation fired by bigger federal spending or by having promised tax savings gobbled up through Kennedy's tax "reforms."

Conservative Sen. Harry F. Byrd (D-Va.) also was sharply critical. He said that if Congress went along with the Chief Executive's tax cut plan, the federal deficit probably would approach \$14 billion. He said Kennedy's claimed savings were "questionable."

As promised in his State of the Union address, Kennedy held the line or made reductions in such non-security functions as agriculture and the postal service. He said he felt obliged to limit such programs in view of the prospective revenue loss under his tax program.

No Discount on Defense
But declaring that "there is no discount price on defense," he asked for \$31 billion in military funds, up \$2.7 billion from this year. He also sought a record \$6.1 billion for space programs, with most of the \$2 billion increase going for the program to land men on the moon by 1970.

The President allotted \$4.9 billion for foreign aid and urged the lawmakers not to repeat last year's deep cuts. He said Red China's attack on India and Communist guerrilla warfare in South Viet Nam are "current reminders" of the importance of the program.

Kennedy took two approaches to the budget: "A newly emphasized 'cash budget' which takes into account collections and payments by the Social Security and highway trust funds."

The old-fashioned "administrative budget" which excludes these items. The President seemed to prefer the "cash budget" approach, pointing out that many non-government groups and scholars believe it provides a "much more complete picture" of federal finances.

The two methods gave this view of Kennedy's proposals as compared with the current fiscal year which ends next June 30:

Administrative Budget (Billions)	1963	1964
Revenues	\$85.5	\$86.9
Spending	94.3	98.8
Deficit	8.8	11.9

Cash Budget
Revenues — \$108.4
Spending — 118.8
Deficit — 10.4

Either way, spending would be the biggest ever, topping even the peak World War II year of fiscal 1945 when outlays hit \$98.3 billion. The deficit would be the biggest in peacetime save for the \$12.4 billion recorded in fiscal 1959 by President Dwight D. Eisenhower. (Continued on Page 24)

Executive Office of The President - Bureau of The Budget

Budget Group Organizes; Elects Christensen Head

H. D. Christensen was elected chairman of the School District 549C budget committee last night when the committee started preliminary work on the 1963-64 budget.

Other officers elected are A. N. Potter, vice chairman, and Cliff Friend, secretary. Other members of the committee are school board members and Francis Cheney and Robert Minear. Dr. Ralph Thompson is an alternate member of the budget committee.

The committee discussed several items which are expected to be considered during the budget meetings. Among them are a teachers' salary schedule, non-certificated personnel salaries, and building needs in the district next year.

10 Classrooms Needed

Superintendent Dr. Leonard B. Mayfield pointed out that at least 10 classrooms will be needed in elementary schools in the district next fall. Other classrooms may be needed, he noted.

Classrooms will be needed at Hoover, Wilson, Jefferson and Oak Grove school, he said. The cost of these classrooms, with equipment, is estimated to be about \$192,000, he noted, and the budget committee will have to decide how construction of them should be financed.

Jeannace Freeman Gets Second Stay

Salem —(UPI)— A second stay of execution for condemned child slayer Jeannace June Freeman was granted today — just 12 days before her scheduled Jan. 29 execution date for the murder of a 6-year-old boy.

The Oregon Supreme Court granted the stay to allow Miss Freeman's attorneys time to file a petition for certiorari with the U.S. Supreme Court. Miss Freeman, 21, was first scheduled to die in the Oregon gas chamber on Dec. 6.

The Oregon Supreme Court, which upheld her death sentence, refused to rehear the case.

Bill Setting State Legislators' Pay At \$3,000 Is Filed

Salem —(UPI)— A bill setting legislators' pay at \$3,000 a year plus \$20 a day while the legislature is in session was introduced in the House today.

The measure was sponsored by 42 of the 60 representatives, and 19 of the 30 senators. Both Democrats and Republicans were listed among the sponsors.

In the Senate, bills calling for creation of conciliation courts, providing "hazardous duty" pay for all state policemen, and broadening the state's obscenity laws to include movies were introduced.

Sen. Al Fiegel (D-Roseburg) submitted the bill calling for \$600 a year "hazardous duty" pay for state police.

Conciliation Courts Asked

Eight bills were submitted by Sen. R. F. Chapman (D-Coos Bay). One calls for creation of conciliation courts to handle "the full and proper consideration of domestic relations suits."

Another requires approval of the state board of higher education in addition to approval by the state board of education for creation of education centers and community colleges.

The obscenity law would be expanded to include any person "who presents or directs an obscene play, dance . . . or publishes . . . anything obscene."

Another bill by Chapman asks creation of an interim committee to study the advisability of establishing a family court. The committee would include four senators and five House members.

Chapman's other measures deal with employees of the state fair commission, support payments, divorce, and enforcement of support procedures. Both the Senate and House adopted resolutions calling for

State Legislature Approves Measures

Salem —(UPI)— Measures approved: By the Senate SR15—Organization and supplies.

SCR1—Joint session to inaugurate governor.
SCR2—Legal service to legislature.
SCR3—Joint session Jan. 22 to hear report on proposed new constitution.

By the House HRI2—Legislative supplies.
SCR1-3

Fire District Vote Scheduled Friday

Talent — Residents of the rural area around Talent and the south side of Phoenix will vote Friday on whether to form a Talent Rural Fire Protection district.

NEWS BRIEFS

FRANCE FORCES SHOWDOWN IN ECM
Brussels, Belgium —(UPI)— France forced a showdown today on Britain's bid for membership in the European Common Market, forcing the economic union close to a possible collapse.

France called a secret meeting of the six member nations. A French spokesman said the closed session would consider whether "there is any future in the negotiations and the possibility of continuing them."

POLAND SUPPORTS RUSSIAN LINE
Berlin —(UPI)— Communist Poland gave solid backing to Soviet Premier Nikita S. Khrushchev today in his campaign against the warlike policies of Red China.

CASTRO SIGNS BRITISH ENGINEER
Havana —(UPI)— The Castro regime today signed up a British engineer to build a \$12 million "fishing port" in Havana which Western sources fear may become an advance base for enemy submarines.

X15 SOARS MORE THAN 47 MILES HIGH
Edwards AFB, Calif. —(UPI)— The X15 rocket ship today shot to its second highest altitude on record—more than 47 miles—in a test aimed at achieving greater stability in returning from space.