

SOCIAL SECURITY CHANGES MADE

In The Day's News

By FRANK JENKINS

Up at Prineville the other day Al Ullman, Democratic candidate for congress from this District of Oregon, took a crack at the sale of the Bonneville Power Administration's Redmond-Klamath Falls transmission line to Copco.

Ullman is running for congress against Sam Coon. In his Prineville speech he holds Interior Secretary McKay and COON responsible for Bonneville's failure to get a line of its own to Klamath Falls.

Somewhat earlier in the campaign Dick Neuberger, Democratic candidate for the U.S. senate from Oregon, took a shot at this same transaction. Speaking at Westport at a Democratic rally, he said: "Sale of the BPA's Redmond-Klamath transmission line to California-Oregon Power company was a bargain basement deal. Interior Secretary McKay in a Portland interview called it a sale directed by congress. That is not correct. McKay and SENATOR COON put the sale through."

You will note that Mr. Ullman holds Coon responsible (along with Secretary McKay) for spiking the extension of Bonneville power to Klamath Falls. Mr. Neuberger holds Coon responsible for it (along with Secretary McKay).

The Bonneville Power Administration was extremely anxious to build this transmission line. It wasn't interested in building just to Klamath Falls. What it wanted was a tie-in with Shasta dam, which would permit it to move government power up and down the Pacific Coast at will.

Down here in the Klamath country practically everybody was FOR the idea. We wanted MORE POWER. The more power that is available for our use, the better it will be for us. We have large resources here that are awaiting development and we need power to develop them.

We wanted the BPA line. But it was bitterly opposed by the State of Washington, which reasoned that the result of building such a line would be to EXPORT TO CALIFORNIA Columbia river power that might otherwise be used in the State of Washington.

Somewhere along the line, while the Shasta tie-in was a hot issue, I was talking to a representative of the Bonneville Power Administration. I asked him how he knew how to get the Shasta tie-in his organization was so much interested in.

"How?" he asked. "Locate a big defense plant down here in the wilds of the Klamath country for dispersal reasons," I said to him. "Such a plant would have to be served with Bonneville power. Once you get Bonneville power to Klamath Falls to serve a big defense industry, nothing can stop you from bringing Shasta power up to meet it."

He looked thoughtful. "It might work," he said. But nothing came of it.

At any rate, the Bonneville Power Administration transmission line to Klamath Falls, as originally planned, was killed. It was killed not by wicked conspirators in the GOP, but by New Deal Democrats in the State of Washington who feared that if the Shasta tie-in was built Bonneville power would be exported from Washington to Southern Oregon and California.

They were powerful enough in Congress at that time to stop the appropriations for building the line. The later sale to Copco came after BPA had been stopped from building the line on its own.

All the negotiations leading up to the sale were made under the Democratic administration.

Olson Scales Weight Down

SAN FRANCISCO (AP) — Carl (Bobo) Olson, middleweight champion, scaled 160 pounds "on the nose" Friday in his second weigh-in for Friday night's title fight with Rocky Castellani.

When he first weighed in the California Boxing Commission officials at 10 a. m., Olson hit 160 1/2 pounds.

His aides hurried him to a steam bath to sweat off that extra half pound. Sixty minutes later he made the weight.

When Olson couldn't qualify at the first weighing, Castellani's manager, Al Naiman of Cleveland, immediately claimed the title but the boxing commission rejected that claim.

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California Workers Strike Ends

Six-Power EDC Conference Ending In Disagreement

BRUSSELS, Belgium (AP) — A six-power discussion of Pierre Mendes-France's proposals for drastic revision of the European Defense Community treaty neared its windup in complete disagreement Friday night.

Entering a fourth session with the foreign ministers of West Germany, Italy, Belgium, The Netherlands and Luxembourg, the French Premier appeared extremely discouraged about the possibility of getting their approval of changes he deems necessary to get France's parliament to ratify the treaty.

But he had not abandoned his projects. Dutch Foreign Minister J. W. Beyen said the meeting would be decisive. If no basis for agreement can be reached, the ministers may decide to give up and go home.

U.S. Ambassador Frederick M. Alger Jr. stopped by the French embassy Friday afternoon for a half-hour talk with Mendes-France at the latter's invitation.

Alger said the French Premier gave him a fill in on the progress of the meeting, but nothing more. The ambassador said that he had been surprised at the invitation in view of Mendes-France's heavy work schedule.

He had thought perhaps France had some new suggestion for which it wanted U.S. backing, but nothing of this nature had been broached.

The ministers discussed Friday afternoon a compromise offered formally by Belgian Foreign Minister Paul-Henri Spaak. Spaak presented his suggestion originally Thursday night, but it got a cool reception from Mendes-France.

Friday morning he put his ideas in writing and submitted them again slightly modified. There seemed to be almost no hope of any acceptance.

The Spaak proposals are based on the idea that France must first ratify the European army treaty in its present form and that the others will agree to talk about changes later.

Mendes-France said he cannot get the French Parliament to approve the treaty in its present form.

By The Associated Press. A proposal that striking Pacific Northwest lumber workers return to their jobs while a fact-finding committee works on issues of the prolonged dispute was under study by union and management Friday.

The back-to-work plan, advanced Thursday at a union-management conference with Govs. Arthur B. Langlie of Washington and Paul L. Patterson of Oregon, coupled with an unconfirmed report of a Weyerhaeuser Timber Co. settlement offer brightened hopes as the strike rolled into its 61st day.

The Portland Oregonian and The Journal reported the Weyerhaeuser offer. Both newspapers said the company had offered striking AFL Lumber and Sawmill Workers and CIO Woodworkers' Union a 2 1/2-cent-an-hour increase.

Union and company officials were silent on the report. Both promised a statement Friday.

Governors Propose Plan To Northwest Lumber Workers

SAN FRANCISCO (AP) — The two-month old lumber strike in Northern California was over Friday, with the union's president calling the walkout "a draw."

"We neither won nor lost the strike, it was a draw," said Joseph L. Hazard, president of the Central California district council of AFL Lumber and Sawmill Workers who voted Thursday—with only one opposing vote—to return to work.

No pay increase and only one paid additional holiday were granted.

Arthur Mendelson, a company negotiator, said the agreement represents a "very, very minor cost increase."

The union originally asked for a 12 1/2 cents an hour pay increase. The lumber operators said an increase in production costs was unjustified this year.

The agreement was expected to set a pattern between the union and numerous independent small operators. From 5,000 to 8,000 workers were expected back on the job Monday.

Notes attached to rocks and reading: "This is the last warning, scab. There is a beating in store for you." There was tossed through windows in the homes of two non-striking employees of the Exchange Lumber Co. at Spokane.

Truck drivers Ollie Orvie and Ross Stevens, both members of the AFL Teamsters Union, said the notes followed earlier telephone calls received by their wives threatening "trouble" if the men continued to work at the plant.

At Lebanon, Ore., police said rocks were thrown at a caravan of cars carrying workers through a CIO Woodworkers picket line to the Santiam Lumber Co. Company officials said 30 men of a normal crew of 120 were going through the line to work at the plant, which reopened Monday without offering a pay increase.

Two cars were damaged and a picket was injured, reportedly when struck by one of the cars.

At Forks, on Washington's Olympic Peninsula, three men arrested after a rock broke a windshield on a logging company bus were fined \$50 apiece, with half of it suspended.

The three were part of an estimated 100 CIO union pickets who massed on the Allen logging road 40 miles west of Port Angeles.

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QUEEN BEVERLY VINCENT, standing, and Princesses Beth Tracy and Judy Laird will reign over the 35th annual Lakeview Roundup, which will be staged at Lakeview on Labor Day weekend, September 4, 5 and 6.

Washing The Windows

Washing the windows this morning as the early morning photographer came by was Blackie Holgate, 614 Lincoln, working at Currin's For Drugs, Ninth and Main.

Gasoline War Hits Portland

PORTLAND (AP) — A price war at service stations has put gasoline at its lowest prices since July, 1951.

Prices of 26 1/2 cents for regular and 28 1/2 cents a gallon for ethyl gasoline were noted at some stations. Many stations were selling a name brand gasoline at 27.9 cents for regular, compared with the 31 1/2 cents that had been prevailing for months.

Some stations, however, were staying with the old prices.

New Formosa Warning Told

TOKYO (AP) — Communist China called again Friday for the "liberation" of Formosa and declared "We shall not stop until this objective is attained."

A Peiping Radio broadcast said Formosa "must be liberated by the Chinese people and they will brook no U. S. occupation, no U. N. trusteeship, no neutralization."

"The Chinese people both legally and morally are perfectly justified in wanting to liberate Taiwan (Formosa) and wipe out the traitors Chiang Kai-shek gang," said the broadcast, quoting an editorial in the official People's Daily.

Red China's renewed call for the "liberation" of Formosa followed by only a few days President Eisenhower's declaration that any Communist invasion would have to run over the U. S. 7th Fleet.

U.S. Deficit Announced

WASHINGTON (AP) — The Treasury announced Friday that the government went into the red by two billion dollars during July, the first month of the new fiscal year.

Secretary of the Treasury Humphrey was reported to have told Congress during the recent debate over increasing the national debt limit that he now expects the government to run a deficit of about four billion dollars for the entire fiscal year, 1955, which began July 1 and ends next June 30.

President Eisenhower estimated in his budget message last January the government would overspend its income in fiscal 1955 by approximately three billion dollars. Subsequent tax cuts by Congress have increased the prospective deficit.

The one-month deficit of two billion dollars during July, announced Friday in the monthly summary of the government's budget finances, occurred during the period of the year when tax collections are at low ebb. The deficit will continue to build up during the next five or six months, probably to around nine billion dollars, and will then be cut rapidly by the spring flood of tax receipts.

The July deficit resulted from spending of \$4,827,000,000 during the month against net receipts of \$2,827,000,000.

Doctor Gives Innocent Plea

CLEVELAND (AP) — Dr. Samuel H. Sheppard pleaded innocent at his arraignment Friday and his counsel in a surprise move made no request for bail.

William J. Corrigan, head of the defendant's legal staff, previously said he would ask Common Pleas Judge Arthur H. Day to set bail or call a hearing.

Corrigan made no mention of the matter at the arraignment. Queried by reporters, he snapped: "No comment. I'm not trying this case in the newspapers."

Dressed nattily in a charcoal grey suit, Dr. Sheppard was accompanied by Corrigan and his counsel, Fred H. Garrnone, as he stepped before the bench to enter a plea in the first degree murder indictment.

After the indictment was read, Garrnone said simply "Not guilty, your honor."

Dr. Sheppard, who showed no sign of emotion throughout the 20-minute proceedings, was returned immediately to his cell in county jail.

The 36-year-old osteopath was indicted on first degree murder charges Tuesday in the last slaying of his wife, Marilyn, last July 4.

Corrigan had reported he would call a "number" of witnesses if the bail hearing was granted, but declined to say if he intended to put Dr. Sheppard on the stand.

Leon Pearson, 30-year-old Klamath Reservation Indian, charged with first degree murder, is expected to demand a preliminary hearing when he appears again Monday for arraignment before District Judge D. E. Van Vactor.

Pearson is accused of the gun slaying of Gene Ericks, 29-year-old moulding plant employee. Ericks was fatally wounded August 7 at the Pat Jackson ranch near Chiloquin Junction.

Pearson May Ask Hearing

Arraignment of the alleged slayer was twice postponed because his attorney, George C. Reinmiller of Portland, was unable to appear in court. Reinmiller also is representing Pearson in an arson case pending in the United States District Court at Portland.

For the past three days, Reinmiller has been in Klamath Falls and Chiloquin questioning witnesses in the homicide case. He declined to discuss the case.

Police Chief Lewis Jones of Chiloquin who with state police, arrested Pearson two hours after the alleged murder said Ericks had a toy pistol in his possession at the time of the shooting. Pearson is alleged to have taken a 30-30 rifle from an automobile and then apparently shooting Ericks in the stomach without provocation.

Ericks was dead on arrival at Klamath Valley Hospital.

Chief Jones says Pearson and another Klamath Indian are awaiting trial for setting 16 fires on the reservation. Pearson was at liberty under \$500 bail on the arson charge.

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When Olson couldn't qualify at the first weighing, Castellani's manager, Al Naiman of Cleveland, immediately claimed the title but the boxing commission rejected that claim.

Jack (Doc) Kearns, the challenger's chief adviser, supported Naiman's claim.

However, Tony Entenza, chairman of the commission, said he was "overruling the claim with reluctance."

Entenza then gave Olson two hours to get rid of the 8 ounces.

The Middleweight title fight between Carl (Bobo) Olson and Rocky Castellani will be televised over channel 5 on KBES-TV from Medford tonight at 6:00 (PST). No local radio station will be broadcasting the fight.

Despite considerable lightning in the eastern part of Klamath County Thursday afternoon no fires have been reported thus far, according to KPFA officials today.

Fairly heavy rains fell in higher elevations during the electrical storms.

Early Passage Of Raises Predicted

WASHINGTON (AP) — Senate-House conference committee reached agreement Friday on a compromise social security bill extending coverage to more than 10 million additional persons, and raising benefits and the taxes to pay for them.

The bill, last major piece of legislation holding up adjournment of Congress, was to be rushed to the House floor for expected quick passage, then sent to the Senate for final congressional action.

The conferees settled their major difference by agreeing to put under compulsory coverage 3,600,000 farm operators as asked by President Eisenhower.

The Senate and House versions of the bill were in general agreement on new benefit scales and on raising the tax base from \$3,800 to \$4,200 of annual income. Their only major difference lay in just how much additional workers should be covered by the legislation.

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The conferees eliminated coverage for doctors, dentists, and all medically related groups as well as lawyers.

The House originally had voted to put in all of the professional people except the 150,000 doctors. The Senate decided to exclude all of them.

Weather

FORECAST—Klamath Falls and vicinity: Partly cloudy and a little warmer Saturday. High Saturday 75; low Friday night 40.

High yesterday — 73
Low last night — 45
Precip last 24 hours — .02
Same Oct. 1 — 14.68
Same period last year — 14.87
Normal for period — 12.61

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4-H Livestock Awards Listed

The following list includes awards to be made to Future Farmers of America and 4-H Club winners in the 1954 Junior Livestock Show and Sale to be held this weekend at the Klamath County Fairgrounds. The list was released by Francis Skinner, 4-H Club Agent and secretary of the Rotary Club show committee.

Legislative Score Given By Ike Aides

WASHINGTON (AP) — The White House compiled its own box score Friday on the record of Congress in relation to President Eisenhower's requests, and found it a "pretty good batting average."

Wilton B. Persons and Gerald Morgan of the White House staff briefed newsmen with the aid of charts, and said out of 65 separate proposals the President "struck out" only 11 times. These 11 bills were either defeated or shelved.

It was emphasized the President would press them at the next session.

Of the 54 measures listed as passed, 27 have been signed and 25 are awaiting signature. The White House put on this list two bills it said it assumed would pass Friday—Social Security Expansion and some kind of postal rate-government pay increase.

RECORD
Morgan put the administration record in baseball terms. He said:

"The Republican effort went to bat 65 times and struck out 11 times. That is a pretty good batting average."

Persons said the record was achieved with "fine cooperation" by Senate and House Republican leaders. He said the President occasionally contacted these leaders by telephone, as well as having weekly conferences with them, but never put on any "pressure campaign."

"I never saw him take a keener interest in anything since the invasion of Normandy," said Persons, a retired major general who served under Eisenhower in World War II.

Press Secretary James C. Hagerly said the box score will form the basis for the speech the President intends to deliver on the record of Congress. This speech will be broadcast from Denver Monday night if Congress quills in time. The President hopes to leave Saturday morning for a Colorado vacation.

The 11 measures listed by the White House as having been shelved or defeated were:

Customs valuation, defense facilities security protection, voting for 18 year olds, parts of the foreign economic policy, Hawaiian statehood, health reinsurance, medical care for military dependents, Taft-Hartley Act amendments, Upper Colorado project, wire tap evidence measures and public health grant-in-aid formulae.

Federal Pay Raise Voted

WASHINGTON (AP) — The Senate Friday voted a 5 per cent pay raise for upward of two million federal workers.

The bill was passed 69-4 after a losing fight by Sen. Knowland (R-Calif.) to attach a hike in postal rates to help meet the cost of the pay boost.

House action was anticipated quickly.

Knowland's postal rate amendment was beaten 55-16.

Knowland, the Republican floor leader, told the Senate the President Eisenhower could be expected to veto the bill unless there was a postal rate increase to offset in part the cost of the pay raise.

Knowland had been a breakfast guest of the President Friday morning.

Some Democrats nevertheless hoisted at the idea the President might veto the pay raise.

Sen. Pastore (D-R.I.) told the Senate he had an exact opposite impression.

Pastore, a member of the Post Office Committee, said Chairman Carlson (R-Kan.) recently gave the committee "assurance" that "in his opinion this legislation (the pay raise) would be acceptable to the President of the United States."

The dispute over the politically touchy pay issue was one of the last remaining to be settled before Congress adjourns.

Top Price Paid For Prize Ram

Mrs. Mabel Liskey, operator of the Lost River Ranch in Poo Valley, paid the top price of \$2,250 for a stud ram at the 25th annual ram sale in Ogden, Thursday.

The ram was sold by M. W. Becker of Rupert, Idaho.

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