

Three Per Cent State Sales Tax Studied By Group

By JOHN GUERNSEY
The present thinking of the Oregon Legislative Interim Tax Study Committee is that a three per cent sales tax will be recommended to the legislators during the January, 1957 meeting, according to a report given Thursday to the Klamath Falls Kiwanians by E. A. Geary, speaker of the Oregon House of Representatives. The bill would follow closely the California sales tax program, with the exception that it would include taxation on transient rentals, which is not the case in California.

Stressing the fact that the tax committee recommendations are tentative and subject to modification before introduction to the Legislature, Geary pointed out that the sales tax bill would raise approximately 50 million dollars. Two thirds of the amount would be allocated to income tax relief, and the remaining one third to property tax relief. Related to the tax situation, Geary pointed out that the committee proposes an immediate sales tax bill should Proposition One, which would allow the legisla-

tors to affix an emergency clause to tax measures, be defeated during the November elections. Should it be defeated, the committee proposes introduction of the sales tax bill during the opening days of the Legislature. The people would then be asked to vote on the issue while the Legislature was still in session, thereby permitting the Legislature to adjourn with knowledge that it had a tax program which would not be deferred. In addition, the tax committee unanimously recommends a bill

to repeal the 45 per cent surtax. However, the committee agrees that the level of taxes presently being collected under the surtax would have to be maintained either by the introduction of a sales tax or by revising the personal income tax. Also, the committee believes that the tax offset under the corporation excise tax law could be eliminated and the rate lowered from eight to six per cent without reducing the revenue. Serious consideration is being given to an adjustment of this nature.

Other matters considered by the committee included the preparation in rough draft of a new forest fee and yield tax law, along with the consideration of amendments to the ad valorem tax laws affecting timber. "It all boils down to the fact that the biennial operating cost of the state is normally increasing and the legislators are doing their best to provide an equitable and reliable means of distributing the tax load," Geary stressed. Whereas the state's general fund operation cost approximately 222

million dollars during the 1955-57 biennial, the amount to be appropriated during the 1957-59 biennial will be nearly 250 million dollars, or an increase of approximately 28 million dollars. The current advancements requested are approximately as follows: 6 million dollars for basic school support, 6 million dollars for higher education support, half a million dollars welfare support, slightly more than 5 million dollars for the support of state institutions, 12 million dollars for expansion of the state building

fund, and 7 million dollars for the combined other operational categories within the general fund structure. "And that's not all of it," he added, "at this week's meeting of the Oregon State system of higher education the board approved a 1957-59 budget calling for 47 1/2 million dollars, an increase of 43.7 per cent over the 1955-57 figure. If approved by the Legislature, that would make the increase a little more than 14 million dollars required for the 33

million dollar higher education during 1955-57. "It seems like an awful lot of money," the legislator furthered, "but we all realize that the state is growing at an accelerated pace, that enrollments are increasing, proportionately, and that the cost of government-sponsored operations are going up with other costs." He cited figures indicating that enrollments in the new biennium will be up more than one third

(Continued on page 4)

BIG THREE PUSH SUEZ PLANS

In The Day's News

By FRANK JENKINS
If you want a good slant at world affairs, get out your globe and take a look at the isthmus of Suez, which is cut across by the Suez canal. Then take a look at the Middle East — Arabia, etc., where the oil comes from to keep Western Europe going.

Then — Take a look at the LONG, LONG route around the southern tip of Africa, over which the oil will now apparently have to be hauled to get it from where it originates to where the bulk of it is consumed.

This must be your conclusion: IF COMMON SENSE RULED THE WORLD, no two-bit racketeer would dare to threaten closure of the Suez canal.

He'd be laid over a barrel and spanked until he yelled ENOUGH!

Another thought in passing: It wasn't governments that dug the canal across the isthmus of Suez. It was private enterprise business men who were seeking to make a legitimate profit by cutting down the cost of getting commodities from the points where they were produced to the markets where they could be sold.

If private enterprise business men, unhampered by power-hungry despots and irresponsible demagogues, were handling the affairs of the Suez canal there would be no thought of closing it.

Speaking of things that hadn't ought to be, but are, in the village of Mastic, New York, yesterday, a 13-year-old boy, accompanied by an 11-year-old boy, slipped into an unattended airplane at the municipal airport, and although he had never touched the controls of a plane before, the 13-year-old took off, flew around for an hour, and then landed safely.

Another place where a good sound spanking would be in order? I reckon so.

But — The boy has TALENT. And natural aptitude for flying. The pity of it is that his talent couldn't have been put to work usefully.

He must have the makings of a useful citizen, and I hope that after a good talking to somebody takes him in hand and sees that he gets the education and the training that his talent and his aptitude and his willingness to take a chance entitle him to.

Speaking further of foolishness — Back in central Illinois, they have an annual contest to see who can eat the most sauerkraut in three minutes. Last year's champion was a guy named Dale Markel of the town of Ridott. He ate 2 1/2 pounds of the stuff in the allotted time.

He entered the contest again this year, but was topped by a citizen of Rockford who stowed away two and three-quarters pounds of it in three minutes. What people will do for notoriety!

Suburban Food Store Sold

The sale of Griggs' Superior Foods and Carl's Superior Meats, corner of Shasta Way and Division Street in the South Suburban district to Norman J. Duffy and Richard Hicks, owners of the Market Basket, North Ninth Street, was announced today.

The store will be officially opened on Monday, September 24, at the Market Basket, South Sixth Street. Hicks and Duffy bought the Ninth Street store one year ago.

T. C. Griggs opened his business 10 years ago, is also owner of a store in Merrill, one in Grants Pass and a third on the Green-springs Highway.

The building owned by Griggs is not involved in the transaction. Carl Woods, owner of Carl's Superior Meats will remain temporarily with the business until he opens in a new location.

Scores

NATIONAL LEAGUE
St. Louis 000 000—0 5 1
New York 200 000—3 9 0
Poholsky, Jackson (H) and Kait, Smith (H); Gomez and Westrum; Hume runs — New York, Mays 2.

Ike Holds Confab With Aussie PM

WASHINGTON (AP) — President Eisenhower interrupted his farm vacation Friday to confer with Australian Prime Minister Menzies on the Suez Canal crisis. Eisenhower's personal participation was another step toward implementing the Western plan to put operation of the vital waterway under a users' association. Egypt has protested that imple-

Hearing Set In KF For Indian Plan

The Senate Interior and Insular Affairs Committee has scheduled a hearing for October 18 in Klamath Falls on progress of the program for disposal of reservation assets of the Klamath Indian Tribe, Senator Richard L. Neuberger, a member of the committee, announced today.

Senator Neuberger said that Senator James E. Murray of Montana, committee chairman, plans to preside at the sessions. Besides reviewing progress of the reservation termination program, testimony will be taken on possible legislation to correct inadequacies of the present law.

Neuberger said the Klamath Falls hearings are an outgrowth of a conference which was held last summer in Washington, D.C., by the management specialists retained to work out the Klamath disposal program, representatives of the Bureau of Indian Affairs, and members of the Senate Indian Affairs Sub-committee.

"At that time," Neuberger said, "the management specialists expressed the belief that terms of the present law threaten the existence of the vast stand of Ponderosa pine belonging to the Indians, and that amendment of the law is needed if this timber is kept on a sustained-yield basis under government supervision."

"Management of the Klamath Reservation timber is vital to the whole economic future of the Klamath Basin. It is of equal concern to both Indians and whites because of its role as a log supply and as a watershed cover. Gutting of this timber by a procedure which would lead to clear-cutting of the forest would be a disaster for the area. Purpose of the hearing will be to determine what steps are needed to fully protect the rights of the Indians and safeguard this great resource at the same time."

Senator Murray advised that persons who wish to be heard at the Klamath Falls hearing should write to staff members William H. Coburn or James Gamble, in care of the Senate Interior and Insular Affairs Committee, Senate Office Building, Washington 25, D.C.

State Aeronautics Board Talks Of Woods Airstrip

A discussion of progress on the Lake of the Woods and the Pinehurst airstrip construction programs was entertained at Thursday's meeting of the Oregon State Board of Aeronautics in the Willard Hotel.

Manager Earl Snyder informed the board of sailing and construction work on the named projects, adding that the legal machinery is now in the process of preparing arrangements whereby the State Board will eventually have jurisdiction of the Alkali Strip between Lakeview and Burns.

In other matters pertaining to Klamath County and its immediate vicinity, the board reported that it has an order eight radio transmitting sets, two of which will be assigned to the Klamath Air Service Rescue Unit. Members lauded the KASRU for its operation, adding that it is generally regarded as one of the top air rescue units in the state.

With regard to other Aeronautics Board programs which will have a bearing on Klamath County, the membership explained that the board is now working with a program which will provide air dusting strips for the convenience

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Morse Tells Of Personal Dam Policy

By THE ASSOCIATED PRESS

A low head dam on a low head site may properly be built by a private utility and will get his support, Sen. Wayne Morse said at Eugene, Thursday, but multipurpose dams should be built by the people.

Developed "by and for the people," he said, the multipurpose dam will "repay itself to the people."

He declared that Cougar, Green Peter, Hills Creek and Holly dams, authorized as federal projects, would never have been approved, except by a Democratic Congress.

Later he spoke to conservationists about the Three Sisters Wilderness Area and said its boundaries should be frozen for at least a year so Congress would have time to consider a bill restricting authority of the Department of Agriculture over opening up parts of it.

Meanwhile, Morse's Republican opponent, Douglas McKay, told a Pendleton audience that Morse was uttering an "unequivocal falsehood" in accusing McKay of slashing the Truman budget for national parks by almost four million dollars.

"My opponent charged yesterday that it took an election year for Doug McKay and the White House to hear the voice of the National Park service. This, too, was a deliberate and intentional falsehood," he said.

Robert Holmes, Democratic candidate for governor, also campaigning in Lane County, said that between him and Gov. Elmo Smith the people have a chance to choose between "two men who have served identical terms in the state Senate."

Atomic Tests End Urged

MOSCOW (AP) — Premier Bulganin has called on President Eisenhower to outlaw nuclear tests as a first step toward breaking the international deadlock on disarmament.

Bulganin's letter to Eisenhower was dated Sept. 11—one day after the Soviet Union's latest reported nuclear test in Central Asia.

The letter, written at Sochi, Black Sea health resort where Bulganin is vacationing, was released Friday night by the official Soviet news agency, Tass. It replied to Eisenhower's Aug. 4 letter rebuking the Soviet government for not living up to agreements reached in Geneva last year.

He published the texts of Eisenhower's letter and Bulganin's reply. At the same time Moscow Radio started broadcasting them to all points of the Soviet Union and both texts undoubtedly will be published in all Soviet papers Saturday.

Fire, Police Exams Slated

The Klamath Falls Civil Service Board announced Friday that examinations for positions in the local fire and police departments will be held sometime in October.

In an effort to attract more men to take the examinations, the board has waived the residential requirements which have been in effect. Prior to this waiver, a man had to be a resident of Klamath Falls for at least one year to be eligible to take the exam.

Anyone desiring detailed information on the examinations may contact Police Judge Frank Blackmer at the city hall.



ALICE PFEFFERLE, 1411 Pleasant Street, and Bonnie Priest, 1334 Pleasant, grinned in unison for the 9 o'clock photographer this morning. Both girls are in the eighth grade at Fremont Junior High School.

Gambling Writ Signer Says Life Threatened

PORTLAND (AP) — A man who signed a gambling complaint here this week said today his life has since been threatened. The county sheriff promised around-the-clock protection for him.

Roma Ollson, whose complaint led to the arrest of four persons and seizure of gambling equipment and more than \$6,000 in a North Portland establishment, said he had received threats through telephone calls.

"They told me I would wind up in the river if I stayed until this case came to trial, but I'm staying. I'm going to stay right here and find out if anyone can buck this mob. If I do wind up in the river, it won't be hard to figure out who's responsible," he said.

Ollson, who was arrested on a gambling charge in a raid by city police on his own place in North Portland last week, said he was tired of seeing the other place continue unraided.

He said he told city police about it, but nothing happened. He then went to county authorities and Sheriff Terry Schunk's deputies made the raid.

The deputies also found a small book of telephone numbers there, on one page of which were listed the city police chief, James Purcell Jr., and his home phone number, plus the city hall number beside the name, "Pete."

Both the police chief and Mayor Fred Peterson, often called "Pete," said they did not know the operator of the establishment, Birchard Bird. When Bird said the book and the handwriting were not his, the chief and the mayor speculated that someone had planted the book there to embarrass them.

The mayor and Sheriff Schunk are opponents in the current campaign for the mayor's office.

Youths Steal, Fly Plane

MASTIC, N.Y. (AP) — Two boys aged 11 and 13, who had never stepped into a plane before, Thursday took off in an unattended monoplane, flew for an hour and landed perfectly.

"I gave it the gas and taxied up the runway and then it went in the air," calmly explained the pilot, 13-year-old Eddie Gates.

The co-pilot, Roy Brousseau, said Eddie assured him he knew how to fly. Eddie told police that was right. He learned from a book. Eddie said when they spotted a single engine plane on a runway with the key in the engine, they just climbed in, and started it.

They took off at 130 miles an hour, flew at 2,000 feet over Suffolk County on the eastern end of Long Island, and swooped low over their own homes on the edge of the airport.

Their air joyride almost escaped unnoticed. But two Civil Air Patrol pilots, who are also detectives on the Brookhaven Police force, saw the small plane scout down for a landing with apparently no one in it. As they approached, however, two little heads popped up.

The boys were released in the custody of their parents while police and the owner of the plane, a private charter service, decide what charges to bring.

Britain Prepares New Crisis Talks

LONDON (AP) — The Western Big Three moved swiftly Friday to set up a Suez Canal users' association with the prospect U.S. Secretary of State Dulles may make a hurried flight to London. An American diplomatic source said he understood Dulles was coming here next week—probably Wednesday.

A British diplomatic spokesman said the invitation list for an international conference is still being drawn up—but the invitations would go out "shortly." The British Press Assn. suggested the possibility that Egypt may be among those invited. The general feeling here was that the conference would be next week—but no definite date has been announced.

Last Ships Go Through Suez Canal

SUEZ, Egypt (AP) — The last convoy guided through the Suez Canal by foreign pilots moved through Suez Friday night and out into the Red Sea.

The 16 foreign pilots who guided it left their jobs immediately afterward. As this convoy left the 103-mile long canal, the first convoy to be piloted entirely by Egyptians began forming here for a northward journey through the canal to Port Said.

With a midnight (2 p.m. EST) deadline for the pilots' walkout, the British Embassy in Cairo for the third time warned British subjects in Egypt to leave "if they have no compelling reasons for remaining." About 2,800 are already out of the country. More than 2,000 remain.

The U.S. embassy has issued no warning to its 1,500 resident citizens, but has notified each American what officer in his district to telephone in an emergency. Reports of evacuation plans for Italian and West German nationals persisted despite denials by diplomatic spokesmen.

Anxiety was noted even among the Egyptians themselves. Lebanon's consulate employees reported a heavy rush of visa applications from Egyptians of Lebanese descent trying to get out of Egypt "before the emergency." Air bookings to Beirut were at capacity.

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