

In The Day's News

By FRANK JENKINS

At the annual school elections tomorrow, the operating budgets for Klamath High School District and Elementary School District 1 will be up for approval or rejection by the voters of the areas concerned.

Taken together, the amount of the combined operating levies of Elementary District 1 and Klamath Union High School District, plus the uppage of \$60,000 a year involved in the three-year serial levy measure that will be on the ballot, is \$7,158 LESS than last year. In these days of rising costs, taxpayers can't ask a much better break than that.

The vote should be YES on both measures. We have good schools, and we want to keep them that way.

Tomorrow's election, there will be an additional measure. It is a three-year serial levy of \$180,000 annually to take care of school expansion in Elementary District 1. If voted, it will take the place of a levy of \$120,000 annually which was voted in 1954 and expired this year.

The increase of \$60,000 a year is designed to take care of the expansion in population that is already taking place in the Klamath area. By this time, it is certain that expansion will continue—probably at a sharply accelerated rate.

This serial levy calls for some explanation.

For approximately two decades, the city of Klamath Falls and the area included in Klamath Union High School District and Elementary District 1, along with Klamath county as a whole, have been on a pay-as-we-go basis.

That is to say:

We have been paying our bills as they came along. Until expanding population in the city and adjacent suburbs compelled a huge expansion ALL AT ONCE in sewer facilities, the city of Klamath Falls, the two school districts—KUHS and Elementary District 1—and Klamath county were completely OUT OF DEBT.

They didn't owe a dollar.

That, I think, is a record of fiscal wisdom and foresight not matched anywhere on the Pacific Coast. It is a record to be proud of. It is a record that will enable us to meet the problems of large growth that will face us in the immediate future with comparative ease.

It is the hope of the two school districts that this device of continuing levies can be continued through the years of large growth that lie ahead. If it can be continued, we can avoid heavy bonding programs.

Hence the three-year levy of \$180,000 annually that will be on the ballot as a separate measure in tomorrow's election. A vote for it will be a vote for continued fiscal stability in the Klamath area.

Personally, I expect to vote for it. This program of paying our bills as we go, to the full extent of our ability to do so, will pay big dividends over the years of the future if it is continued.

ELECTION

Annual school elections will be held Monday for KUHS, city elementary and county schools. Polls will be open from 2 to 5 p.m. and voters are urged not to wait until the after-dinner hours because of congestion. Polling places: Pelican Court for KUHS; Fremont School for elementary district, and at each of the elementary schools in the county school unit.

Ike Informed By Herter Ministers Meet Success

GETTYSBURG, Pa. (AP)—Secretary of State Christian A. Herter told President Eisenhower Saturday the Western foreign ministers meeting was "very successful" in laying groundwork for negotiations with Russia on German problems.

Herter reported personally to Eisenhower at a 75-minute conference at the President's farm home a couple of hours after returning from the Paris conference.

Water Chief Explains Hike

Glenn Bowen, manager of the Oregon Water Corporation, clarified the request of his company for an increase in water rates in a statement issued Saturday.

In an effort to further inform the public of the proposed water rate increase for Klamath Falls, Bowen said, "On April 20, 1959, the water company filed with the Public Utilities Commissioner of Oregon for a rate change affecting all its customers on the Klamath Falls water system. Effective date of the request was May 21, 1959."

"This filing will automatically cause a hearing by the Public Utilities Commissioner to be held in the area sometime within a six month's period. At the present time, the utilities commissioner has several other rate cases pending, so it is likely that the hearing will not be held until near the end of the six month's period, or sometime prior to November 21 of this year."

"In general the proposed change would increase water rates on the average of 22.41 per cent, producing additional revenue of \$90,741. Of this amount, \$41,971 would go for additional federal income tax; \$5,550 for additional state excise tax, and \$1,615 for additional city of Klamath Falls franchise tax. This would leave \$31,478 for the company's operation."

"The proposed rate change would also eliminate a complicated billing schedule for municipal fire protection with very little increase in immediate cost to the city of Klamath Falls. However, hydrants

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Frog Entry Decided

PENDLETON (AP)—A frog let 'er Buck will represent Oregon in the International Frog Jumping Jubilee at Angels Camp, Calif., May 16-17.

The state's entry was decided Friday in the Oregon Centennial Frog Hop here. The winner, whose name originally was Space Command, was entered by the Pendleton High School Future Farmers of America.

The winner became the property of the Pendleton Round-Up Assn. and was re-named.

The frog vaulted into the championship by jumping 17 feet, 6 inches in three leaps. That was the best of a field of 102 frogs from Oregon, Washington, California, Louisiana and Alabama. An entry from Sherwood Elementary School here was second. Ferdinand the Bull Frog, entered by the Salem Chamber of Commerce was seventh with leaps totaling 15 feet, 5 1/2 inches.

Then came frogs entered by the Multnomah County Centennial Commission and the Portland Rose Festival organization.

The Klamath County Museum's entry, Jefferson, jumped 14 1/2 feet.

The secretary flew by helicopter from Washington and left the same way immediately after the session on the porch of the President's farm.

After the meeting, White House Press Secretary James C. Hagerty told newsmen that Herter reported to Eisenhower on his conference with the foreign ministers of Britain, France and West Germany.

However, Hagerty did not sit in at the Eisenhower-Herter meeting and said he could provide no details.

He noted that the words "very successful" were the same Herter used in a statement on his arrival in Washington.

Herter also said there that the ministers had reached complete agreement "both in spirit and substance" on a highly important Western position for negotiations with the Soviet Union in Geneva which start May 11.

"This should assist us greatly in making progress at Geneva if the Soviet Union demonstrates an honest desire to negotiate," he said.

The Marine 'copter in which Herter flew from Washington landed about 50 yards from the front door of the President's home.

Herter, who has arthritis of the hips, rode from the 'copter to the house in a motorized version of a survey with fringe on top. Eisenhower greeted him at the door.

After the conference Eisenhower got into the modern day survey with Herter and accompanied the secretary to the 'copter. They shook hands as Herter boarded it for the flight back.

On his arrival in Washington early this morning, Herter was asked whether the "complete agreement" he reported at Paris was reached because the Western foreign ministers made no attempt to settle many details.

Dag Speaks To Students

COPENHAGEN, Denmark (AP)—Secretary General Dag Hammarskjöld said Saturday practical considerations virtually bar the setting up of either a U.N. military or civilian political authority in Berlin.

He made the statement in a speech prepared for delivery in Copenhagen in which he stressed also the advantages as he saw them of holding an East-West summit conference within the framework of the U.N. Security Council.

Hammarskjöld spoke at a meeting of the Students Assn. He stopped en route to Geneva, where he will attend a U.N. conference. He will be in Geneva when the foreign ministers of the United States, Britain, France and the Soviet Union open their conference on Berlin and Germany on May 11.

He said there was no reason for him to prophesy as to whether a summit conference would be held, but he recalled that when such a meeting was discussed last year, the intention was to have it "within, or in intimate connection with the Security Council."

Niagara Claims Unknown Woman

NIAGARA FALLS, N.Y. (AP)—The body of an unidentified woman was swept over the American falls before the eyes of hundreds of spectators Friday.

It was not known if the woman had drowned upstream or was killed in the fall.

Park police said a woman answering the description of the victim had been seen earlier about a quarter mile south of the falls.

Sales Tax Deadlock Continues



OFF ON AN AIR TOUR of a number of the cities in the state was this delegation of Klamath Falls second annual Aviation Week and Air Fair, May 11 to 17, sponsored by the Klamath Chapter of the Sportsmen Pilots. Left to right, Donna Kessi, Miss Aviation of 1959, prepares to enplane, along with Herald and News reporter Ruth King, Jack Douglass, Jim Floyd and Ned Putnam of the Sportsmen Pilots. Stops were slated at Medford, Roseburg, Coos Bay, Eugene, Corvallis, Lebanon, Albany and Salem, with arrival in Portland at 4:15 p.m. Saturday. They left the Klamath Falls airport at 8:30 Saturday morning.

SF Landmark Fire Victim

SAN FRANCISCO (UPI)—One of San Francisco's most famous and controversial landmarks—the showboat Fort Sutter—was destroyed in a spectacular fire here early Saturday.

The old paddle-wheeler, moored off Aquatic Park, collapsed in a shower of sparks and flames shortly after four youths were seen pouring gasoline at the head of the gangplank.

John R. Murphy, 49, one of two watchmen who lived aboard the vessel, told firemen he saw the youths ignite the gasoline and flee. Murphy and the other guard, Mike Yuskos, barely escaped with the aid of firemen as the rotting hulk went up like tinder.

The fire accomplished what the city of San Francisco had not been able to do in six years. Officials had been attempting to dispose of the 47-year-old vessel, claiming it was an eyesore.

The boat's owner, Barney Gould, was unsuccessful in attempts to raise money to restore it as a restaurant and tourist attraction. Thousands of persons watched firemen fight the blaze for nearly an hour before it was quelled. Police received calls from persons as far as Oakland, who feared the wharf was ablaze.

Strike Ballot Set By IWA

PORTLAND, Ore. (UPI)—A strike vote will be conducted among the 40,000 members of the International Woodworkers of America in the Pacific Northwest. Harvey Nelson, chairman of the union's Northwest negotiating committee, said Friday the regional policy committee of the IWA had approved taking the vote after hearing a report on recent bargaining sessions with employers.

Nelson said the union could strike by June 1 if "satisfactory progress" is not made in contract negotiations.

He said strike ballots are to be returned to the negotiating committee by local unions by May 18.

The IWA is one of two big lumber unions in the Northwest. The other is the Lumber and Sawmill Workers Union which held its convention here last week and announced it would seek from employers a package amounting to a 30 1/2 cent hourly wage hike spread over two years.

Local Pupils Attend Meet

Two business students at Klamath Union High School, Betty Hawley and Annalee Price, left yesterday for the campus of the University of Oregon in Eugene to attend the 20th annual Oregon Retail Distributors Institute today and tomorrow, May 3 and 4.

Speakers to be featured at the conclave are Edward C. Lipman, chairman of the board of directors of the Emporium Capwell Company in San Francisco; Curt Emery, president of the Oregon Retail Distributors Institute, and R. W. Lindholm, dean of the University of Oregon School of Business Administration.

Lindholm was scheduled to give the Monday morning welcome address.

The institute features a series of panel discussions and lectures by top men in the retail field.

The girls were accompanied to Eugene by John Lake, instructor of retail selling in the vocational department of KUHS.

The girls' expense-paid trip is sponsored by the Klamath Falls Merchants Association.

Weather

FORECAST—Klamath Falls and vicinity: Partly cloudy Sunday with rain or snow showers. High Sunday 50-55; low Sunday night 20-28.

High yesterday 54
Low last night 22

Northern California—Warner inland Sunday with coastal winds northwesterly 12-25 miles an hour.

CRATER LAKE

High Friday 29
Low Friday night 19

8 a.m. Saturday 22
New snow 4
Snow depth 63
Last year 153

Wind was calm on Saturday morning and skies partly cloudy.

Ski conditions powder. Total snowfall this season is 356 inches compared with 568 last year. Chains were advised on Saturday for travel on Highway 62 through the park and required from Annie Springs to the rim. Skiing was expected to be good over the weekend.

Jeffersonians Hold Meeting

DUNSMUIR—"We aren't going to quibble over boundaries, name or state capital," Pat Hanratty of Mount Shasta commented on the launching of the State of Jefferson, "as long as it is fully understood that Southern Oregon and Northern California form a natural geographic area with common understandings and common goals."

Pat Hanratty, now the manager of Black Butte Inn in Mount Shasta, helped launch the state of Shasta which received national attention in December of 1956. Actual secession from the state of California was a major aim of the state of Shasta but while it received tremendous support from several northern counties, it bogged down in the details of withdrawal.

Hanratty offered his cooperation and assistance for any official move of the State of Jefferson. He felt the state flag of Shasta with the white mountain encircled in blue on a red field could be adapted to the State of Jefferson.

The mountain, visible from most of the area, is symbolic of lofty purpose and the blue stands for the water resources in this comparatively undeveloped area, Hanratty pointed out.

The "Double Cross" state seal of the original State of Jefferson movement which gained terrific momentum in 1941 but was shelved in the interest of national unity after Pearl Harbor, could have great significance for the area in the next few months, Pat noted.

The water issue in Sacramento must be decided upon an equitable financial and beneficial use basis or the State of Jefferson "or Shasta" could become more than a "state of mind," Pat concluded.

MILLIONAIRES' CITY

ZURICH, Switzerland (UPI)—One out of every 572 inhabitants of Zurich is a millionaire, the city tax office reported Saturday. The city has a population of 430,000.

Hoffa Rapped By Kennedy

LOS ANGELES (UPI)—Sen. John F. Kennedy (D-Mass.) attacked the Teamsters Union and its president, James Hoffa, Friday night and said he believes the nation could "eliminate the evil practices by which he (Hoffa) and his associates rose to power."

In a speech before the Greater Los Angeles Press Club, the youthful presidential hopeful said the Kennedy-Ervin Labor Bill would not in itself eliminate Hoffa.

"He is entitled to the same rights as every other citizen, including the Fifth Amendment," Kennedy said. "But we can eliminate the evil practices by which he and other associates rose to power—their conflict of interest transactions, their destruction of union books—their use of union funds to build personal financial empires, their shakedowns."

The New England senator told the 500 newsmen, civic and labor officials and California Democratic Party leaders that he did not think the people would tolerate a veto of the Kennedy-Ervin bill.

He said the people "are fed up with the abuses and malpractices revealed by the McClellan Committee."

"They want a strong, effective, but fair reform bill," he said. "I am convinced that they do not want an anti-labor bill—they want an anti-racketeering bill. And they want one now."

Kennedy openly courted the favor of California political leaders although he declared it was much too early for anyone to announce himself as a 1960 presidential candidate.

In a question and answer session following his speech, the senator said he thought New York Gov. Nelson Rockefeller would make a formidable Republican candidate and hinted he would be a stronger one than Vice President Richard M. Nixon, although he said polls showed Nixon won in front.

But Kennedy called Nixon "competent, hard-working, ambitious and skillful."

Legislative leaders were optimistic that the dispute between the two houses can be resolved quickly.

And Chairman Ward Cook (D-Portland) of the Senate Taxation Committee hinted that if a reasonable income tax bill is accepted by both houses, then the Senate would drop its demand for a three per cent sales tax that would be referred to the people.

Senate Sales Tax Plan May Die In Committee

SALEM (AP)—The Oregon Senate approved 18-11 Saturday its Taxation Committee's income tax bill in order to get it into a Senate-House conference committee that would try to settle the sharp differences between the two houses.

At the same time, Sen. Ward Cook (D-Portland), Senate Taxation chairman, announced to the Senate that there is a tacit understanding that if the conference committee agrees, the Senate will drop its efforts to pass a three per cent sales tax that would be referred to the people.

Saturday's Senate passage of the bill was on reconsideration of Friday's defeat of the measure, which would reduce personal income tax exemptions from \$800 to \$500. This bill is much different from the House-passed measure, which would eliminate most deductions and establish a lower rate schedule.

The Senate reversal Saturday does not mean that the Senate likes the bill any better than it did Friday. It was passed Saturday only to get it into a conference committee. Defeat of the bill would have meant there would be no income tax program at all.

The Senate passed 23-1 Saturday and sent to the governor the bill to increase income taxes on utilities by one million dollars a year. This is the only major part of the House tax program that the Senate left intact.

The Senate also approved, 21-8, a bill to charge 1/2 of one per cent interest per month on the quarterly income tax installments.

The House had voted to eliminate the installments altogether. This bill now goes back to the House for consideration of the Senate change.

Speaker Robert B. Duncan announced that the conference committee would work all weekend. He said he expects final adjournment of the sessions, already 111 days old, to come by next Wednesday.

House Democrats caucused Saturday and expressed their firm opposition to any reduction of the personal exemptions. Their position was strengthened greatly by the Senate's refusal Friday to approve the reduction.

The Senate vote Friday was 13 for the bill and 14 against it. But it takes 16 votes to pass a bill.

Both plans would raise about 11 million dollars, or enough to finance a 310-million-dollar general fund budget. They fall short, however, of the 316-million dollar budget proposed by the Joint Ways and Means Committee.

Eleven Democrats and four Republicans supported the Senate bill. Eight Democrats and six Republicans voted against it.

The Senate did pass, 25-5, and send to the governor the bill to reduce the tax on capital gains that are re-invested in Oregon. It was described as an attraction for investment capital.

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Basin Educators Unhurt In Crash

OREGON CITY (AP)—Two Klamath Falls educators escaped unharmed Friday when an automobile they were riding in spun out of control and plunged down a bank on a highway near here.

Charles McLin, Klamath Falls elementary school principal, who has been named principal at Oregon City's Eastham School, and Garry Robertson, an assistant superintendent at Klamath Falls, were in the car.

House members are still angered over the way the Senate Taxation Committee changed the House's tobacco tax into a sales tax.

Members of the House Taxation Committee were happy over Friday's defeat of the income tax bill. They used such terms as "inequitable," "unfair," and "not acceptable" in referring to it.

Invasionists Held Captive

PANAMA (AP)—Cuban invaders of Panama who surrendered without firing a shot arrived in the capital as captives Saturday morning in eight heavily guarded buses.

Informed sources said Fidel Castro's Cuban Embassy may seek leniency for the small band who threw themselves on the mercy of the Panamanian courts in laying down their arms.

Hundreds of curious Panamanians silently watched the 87 prisoners—one a woman—marched into jail.

They will be questioned before the government decides what to do with them.

A source with official connections reported antigovernment forces operating near the Caribbean coastal town of Nombre de Dios where the main group of the Cuban invaders gave up Friday.

The strength of the rebels was not determined. First reports did not indicate whether they were Panamanians who have been waging hit-and-run attacks against the government for weeks or new foreign invaders.

The back of the Cuban-based expedition was believed broken, however.

The bedraggled band of revolutionists said they came to Panama on being told the country was ruled by a dictatorship—"but we were wrong."

Panama defenses—aided by U.S. planes patrolling the coast—kept on the alert against the danger of more invasions.

Justice Minister J. D. Bazan said the government was still on the lookout for two more invasion ships, which reportedly left a Cuban port. But, he said, "they may have turned back in view of the failure of the first expedition."

The surrender of the party that landed in Panama last weekend was carried out under the eyes of a fact-finding team of the 21-nation Organization of American States.

Fernando Lobo, Brazilian diplomat who headed the OAS peace mission, said he was checking into the possibility of a new invasion and so far found it to be "rumors, just rumors."

"If nothing comes of that," he said, "our mission is finished."

Arthur Godfrey Condition Good

NEW YORK (AP)—Arthur Godfrey was reported in excellent condition Saturday morning at the Columbia Presbyterian Medical Center, where he is recovering from an operation for lung cancer.

A bulletin issued by the hospital at 7 a.m. said Godfrey's condition "continues to be excellent," adding that he had spent "a comfortable night."

Godfrey was out of bed twice Friday afternoon.

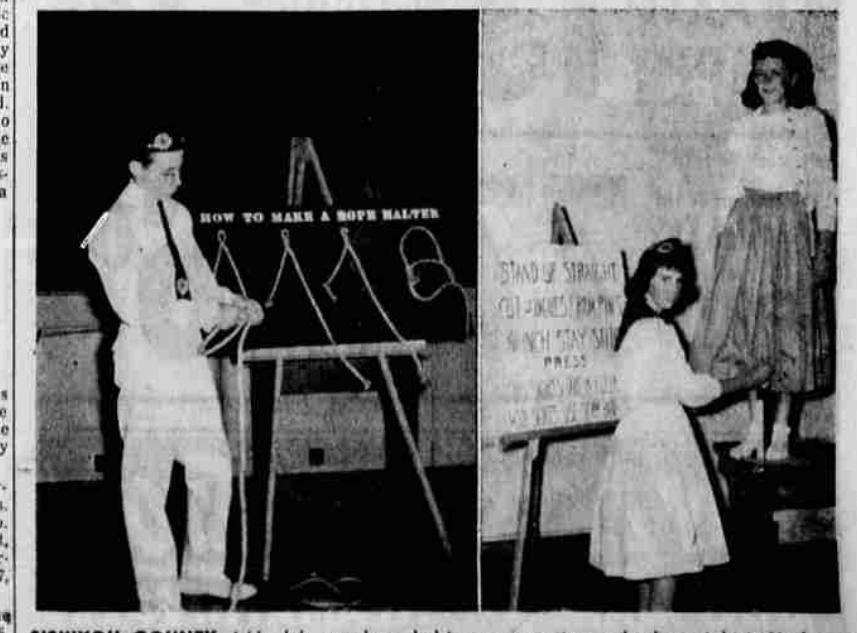
The 55-year-old radio and television star was described in a medical bulletin late Friday as in generally excellent condition.

PLANES COLLIDE

ROME (UPI)—Two Italian reconnaissance planes collided in the air Friday and crashed into a wheat field. All four men aboard the planes were killed.



IN EUGENE for a two day Oregon Retail Distributors Institute are, from left, John Lake, instructor at Klamath Union High School, and Betty Hawley and Annalee Price, KUHS business students. The Klamath Falls Merchants Association is underwriting the trip.



SISKIYOU COUNTY 4-H club members held a presentation and talent night in Yreka, at which Farm Adviser William Ruddiman Jr. took these pictures. Brian McPeters of the Big Springs 4-H Club shows how a rope halter is made, and Terry Timmons and Bobbette Dunaway of Etne give a clothing demonstration called "The Perfect Ending."