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Coinword Puzzle Prize Inches To New High — Try Your Skill On Page 8 Today

In The Day's News

By FRANK JENKINS

Oregon LEADS THE WAY AGAIN—as this dispatch from Salem this morning indicates:

In a rare JOINT appeal, labor and management yesterday urged the state of Oregon to prepare to meet the growing impact of automation. They called for approval of a resolution to create an interim committee to map out ways and means to meet the problems of technological unemployment.

The resolution would create a committee of legislators and representatives of labor and industry to make an overall study of employment problems and potential, and to suggest programs and recommend ways to finance them.

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Ivan Congleton of Associated Oregon Industries and George Brown of the AFL-CIO both told the senate committee on state and federal affairs it is time to start NOW.

Congleton said:

"We must face the fact that automation is becoming serious. Let's get a head start on a problem we know we are going to have to face."

Brown agreed. "The longer we wait," he said, "the more difficult it will be." He added: "The unions are not against automation and technological advances. What we are saying is that, if necessary, we'll have to find an answer to the displacement of these people."

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It has long been conceded by sound economic thinkers that the power of the people to consume is limited only by their power to PURCHASE. There are two ways to provide the power to purchase:

1. Higher wages.
2. Lower prices.

—

The higher wage solution—when unaccompanied by greater productivity—defeats itself. It increases prices as fast as it increases incomes. So nothing is gained. What we need is greater productivity, resulting in MUCH LOWER PRICES.

If Oregon can find the answer to that, it will have done something fantastically valuable to humanity. Automation, if unaccompanied by HIGHER PRODUCTION COSTS, including higher taxes, could make it possible to bring prices down to the point where people's ability and desire to CONSUME MORE could so fantastically INCREASE CONSUMPTION as to provide jobs for everybody.

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Somehow—

This problem of producing more things at lower prices, so that people can have more things for less money, must be solved if automation is to bring to us the immense benefits it is capable of bringing to us.

Who will solve it?

WHY NOT OREGON?

—

Oregon has been a pioneer in new ideas.

Oregon was the inventor of POPULAR LEGISLATION — the initiative, the referendum and the recall. Most states have modeled their initiative and referendum laws on what has come to be known as the OREGON PLAN, which the state of Oregon adopted in 1899 and extended in 1908.

Oregon invented the gasoline tax, which made it possible to finance vast new highway systems without going bankrupt.

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So—

Who is better equipped than Oregon to find the solution of this automation to the job of producing fantastically more things at fantastically lower prices so that people can have fantastically MORE things for LESS money?

East Nation Floods Ease

By United Press International

Some ice-gorged rivers swept toward new destruction in the Ohio Valley today but flood threats eased through much of the East.

A state of emergency was in effect at Fremont, Ohio, where the Sandusky River held steady five feet above flood stage.

About 500 persons abandoned their homes in the downtown area, which was closed off to traffic. Only persons with special passes were allowed into the area.

Authorities feared that ice jams, wedged above the Beallville Dam upriver from Fremont, might trigger extensive flooding in the city.

Weather

High yesterday	53
Low last night	24
High year ago	45
Low year ago	23
High past 14 years	47 (1953)
Low past 14 years	10 (1958)
Precip. past 24 hours	.00
Since Jan. 1	2.19
Same period last year	5.57

Herald and News

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Weather

Klamath Falls, Tulelake and Lakeview — Fair to partly cloudy and mild tonight and Saturday. Lows tonight 25-30; high Saturday 55. Light variable winds. The weekend will be sunny and mild with a few clouds at times. No precipitation is indicated.

Rusk Claims Reds Removing Troops From Cuban Posts

WASHINGTON (UPI) — Secretary of State Dean Rusk said today that some Russian troops are being removed from Cuba and that more Soviet ships are on the way to the island.

But Rusk said he would make no "assessment" now of whether the Kremlin is meeting its promise to remove "several thousand" forces from Cuba by next Friday.

The secretary told a news conference that Russian ships have been moving into Cuba during the past two weeks and more are on the way. He said the available ships are enough to carry out the troop removal.

Rusk refused to elaborate on his statement that some troops already have left the island by ship.

On other major subjects, Rusk said:

—The United States will be "very much alert" to any threats to the security of Saudi Arabia and Jordan, which may be endangered by recent revolts in Iraq, Yemen and, today, Syria.

—The United States must be willing to take "some risks" in a nuclear test ban because it is faced with "greater risks" of the spread of nuclear weapons, perhaps into irresponsible hands.

A large part of Rusk's news conference was devoted to the test-ban issue. The administration is being criticized both by the Russians and by some scientists and members of Congress who feel the United States has already made too many concessions.

Rusk said the Russians have so far been unwilling to discuss what he called the "fine print" of the on-site inspection issue. These involve the areas that would be inspected, the make-up of inspection teams and what kind of data would be collected.

He said these are the critical issues because 200 or more inspections a year with inadequate machinery would be worse than seven or eight good inspections.

Rusk said he is confident that a "series" of sneak Soviet underground tests could be detected under the system proposed by the United States, although the Soviets might get away with "very small scale tests."

But the risk of this, he said, must be measured against the "major risks if the arms race continues."

In discussing the Middle East, Rusk said the United States had only "fragmentary" information on today's revolt in Syria. He said the 600 U.S. citizens in Syria appear to be safe.

WINNERS — Mike Holland, Exalted Ruler of Klamath Falls Lodge No. 1247 BPOE, right, presented scholarships to three senior high school students, during the Thursday, March 7, meeting in the Elks Temple. Winners this year, left to right, were Alex Sapiens, Bonanza, winner of the third place award of $150; Richard Houck, Henley High School, who received a check for $350 as second place winner, and Donald H. Christy Jr., first place winner, Klamath Union High School who received a check for $1,000.

Pro-Nasser Military Junta Controls Syria After Swift, Bloodless Coup

BEIRUT, Lebanon (UPI) — A pro-Nasser military junta seized control of Syria today in a swift and bloodless coup that threatened the peace of the entire Middle East.

There were no confirmed reports of fighting, and no reports of casualties. The only information about events inside the neighboring country came from broadcasts by the Damascus and Aleppo radio stations.

But a group calling itself "the National Council of the Revolutionary Military Command" claimed initial success and increasing pledges of support.

It imposed a curfew throughout the country and ordered all air and seaports closed.

The junta, apparently led by Brigadier Abdallah Jabrini, promptly expressed its friendship for President Gamal Abdel Nasser of the United Arab Republic, as well as for the Arab revolutionary regimes of Iraq, Yemen and Algeria.

Left Union In 1961

Syria was a part of the U.A.R. until a revolt by another group of Syrian army officers took the nation out of the union Sept. 28, 1961.

Jabrini is strongly pro-Nasser and was right-hand man to Egyptian Col. Abdel Hamid Serraj who ruled Syria during the Egypto-Syrian union.

Last month Jabrini was appointed chief of the Syrian Military Intelligence and Counter-espionage Agency. Arab sources said he is a strong nationalist and anti-Communist.

But there was no immediate indication he would take Syria back into the U.A.R. More likely, there is more trouble ahead elsewhere in the Mideast.

Observers believed that the Syrian coup—a month after a similar takeover by the army in Iraq—is the second in a chain of impending Mideast eruptions among the Arab lands which Nasser would like to lead in one Arab nation.

Other Nations Involved

The pressure now is expected to mount on Jordan and Saudi Arabia. Jordan's King Hussein and Saudi Arabia's King Saud oppose Nasser bitterly and have been engaged in fighting him openly and secretly.

Floor On Milk Price Debated By Dairymen

SALEM (UPI)—A divided dairy industry debated a bill to put floors under milk prices Thursday night amid threats of a milk price war.

Nearly 300 dairymen, processors and distributors attended the hearing before the House Food and Dairying Committee.

In one camp were producers, the dairymen who have the cows. In the other were processors and distributors, the men who buy the milk, process it, and pass it on to retail outlets.

The dairymen asked the legislature to enact another law like the temporary 1961 law that expired at the first of this year.

"We are going to have a full scale milk war within a short time after the legislature adjourns unless something is done," said Junction City dairyman Howard Gibson. "The artillery is already moved into position."

He said there is a serious likelihood that a milk price war would bring an attempt on the part of the teamsters union to organize milk producers.

The bill before the committee would provide for state control of the prices paid to the dairymen. The dairymen said this is necessary to prevent cut-rate competition in a market dominated by milk surpluses.

"A stabilization law is necessary for the Grade A dairyman to stay in business," said Frank Rood of the Oregon Dairymen's Association and the State Board of Agriculture.

The price controls, under the bill, would be set for market areas. The measure also provides for referendums on market pools and a quota system.

Processors and distributors retorted that the bill would fail to solve anything since it would control only about 40 per cent of the milk market. It would not have any effect on cooperatives or out-of-state producers.

They said the state would be flooded with cheaper milk from Washington, Idaho and California.

Legislation is desirable, they said, but not unless it includes milk supplied by cooperatives and out-of-state dairymen.

Both sides, however, were hesitant to consider a federal milk marketing order that might accomplish some interstate control.

Attorney Melvin Goode, speaking for a group of distributors from Portland to Klamath Falls, said the bill would amount to discriminatory subsidy to producers, and not even all producers.

Robert A. Fish of the producer-distributor group, Oregon Dairy Industries, said the 1961 law in fact created new inequities.

'Defender' Plan Offered

WASHINGTON (UPI) — President Kennedy asked Congress today to set up a system for appointment of public defenders to represent people who can't afford lawyers to defend them in federal criminal cases.

"Whenever the lack of money prevents a defendent from securing an experienced lawyer, trained investigator or technical expert, an unjust conviction may follow," the President said.

Kennedy sent the House and Senate a draft of legislation which he said would "diminish the role which poverty plays in our federal system of criminal justice."

Fake Attack Story Told

ATLANTA (UPI) — An American pilot said Thursday when the Cuban invasion failed a plan was proposed for a fake attack on the U.S. naval base at Guantanamo to give United States forces an excuse to enter the fighting.

"I don't think it was taken seriously," said Albert C. Persons, 47-year-old Birmingham, Ala., weekly newspaper editor. "It was transmitted to Washington as a suggestion for a way to save this thing (the invasion) by whatever authority, I don't know."

Persons, a World War II flier, said in an interview he was recruited for the April, 1961, invasion and was in Nicaragua organizing air strikes against Cuba when it became obvious "the thing had fallen completely to pieces."

At that point, Persons said, one of the American pilots (unidentified) suggested that two or three planes already painted with Cuban markings fly to Guantanamo and strafe runways or other sections of the base. "By a fast prearrangement" with Guantanamo, Persons said, base personnel would be removed to safety before the staged attack.

Man Charged In Lakeview Road Death

A first degree murder charge has been levied against a Sparks, Nev., man in the death of Mrs. Theresa Arzner, 64, Lakeview.

Being held in the city jail at Bend for transfer to Lakeview for arraignment on the first degree murder charge is Robert Lee O'Connor, 26, whose last address has been listed as 2301 Crater Way, Sparks, Nev.

The body of Mrs. Arzner was found Thursday morning lying on a county road about four miles west of Lakeview.

An autopsy conducted Thursday showed that the woman had suffered a broken neck, fractured skull and other injuries and apparently had been hit by a vehicle of some kind.

Investigating authorities obtained a description of the man she had been seen with the previous night in Lakeview and of the pickup he was driving.

An all points bulletin resulted in O'Connor being picked up near Bend by the state police. Sgt. Bruce Lattin of the state police, Lake County Sheriff Don Woodruff and Lake County District Attorney Chick Chaloupka went to Bend to interrogate the man.

Sergeant Lattin says O'Connor admitted being with the Arzner woman the previous night. Blood was found in the pickup and the wrist watch of the woman also found in the vehicle.

O'Connor told police he had been drinking and that Mrs. Arzner had jumped out of the pickup.

The accused man will be transported back to Lakeview today and be arraigned there on the murder charge, Lattin said.

Publishers, Printers End New York Strike

NEW YORK (UPI)—Publishers and the striking printers union agreed today on terms put forth by Mayor Robert F. Wagner for settlement of the 91-day-old New York newspaper strike.

The settlement, reached three months to the day after the strike and shutdown started, must be ratified by the membership of the International Typographical Union, expected to be only a formality. Also to be resolved were several other issues, including strikes by the stereotype and mailers unions. Thus, it was not believed the papers could resume publication before next midweek at the earliest.

Meanwhile, the newspaper strike in Cleveland entered its 14th week today with the key printers union and the Cleveland Press and Cleveland Plain Dealer still locked in a stalemate. Money remains the chief point of contention in that dispute and almost no progress was reported after negotiations Thursday.

Terms of Settlement

The New York settlement, providing a two-year contract effective with a return to work, brought a variety of changes involving money and automation:

—A $12.27 money package with $6.51 the first year and $5.76 the second, including a $4 wage increase each year.

—A common expiration date for all of the newspapers' union contracts, providing all unions agree. This would be about the second week in March and avert threats of strikes during the ad-heavy Thanksgiving and Christmas seasons.

—A 35-hour work week in the second year of the contract, compared to the present 36¼ hours.

—Introduction of outside tape (automated operation of linecasting machines) with the union to get a share in increased productivity.

The ITU struck last Dec. 8, demanding a package of $38.37. The settlement agreement was announced by Wagner at 6:25 a.m. after night-long meetings.

Yet to be worked out are some secondary issues in the ITU contract, and the strikes by the stereotypers and mailers unions. The latter is affiliated with the ITU.

However, Federal Mediator Stephen Schlossberg said he felt certain the other unions would quickly accept terms within "the general settlement area" announced by the publishers and printers.

Amory Bradford, Publishers Association spokesman, said his paper (the New York Times), could be on the streets "within a matter of hours" after the pickets had been removed.

"We invite all unions to join us in bringing to an end the prolonged period of the strike," he said in a statement for the publishers.

Bradford said the settlement would not force any of the city's newspapers out of business.

"We would not have accepted it," he said, "if we thought it would force any papers out of business."

Publishers were to meet with the printers and with representatives of the other unions as soon as possible, probably later today.

Expects ITU Approval

Asked if he thought the union would approve the contract, local printers boss Bertram Powers said, "I do."

He saw "no insurmountable problems" remaining. He estimated that "several days" would be required to finish.

Wagner said that if the contract terms are accepted, contracts for all the newspaper unions involved "will be negotiated at the same time in the future." He said the effective date of the two-year contract would be the day the unionists actually return to work.

Nine of the 10 unions idled in the dispute are without contracts. One, the New York Newspaper Guild, had accepted a new contract with the publishers Oct. 31.

Powers said he was "not completely happy with the economic issues—but I guess no one really is." He later said, "We think we should have gotten more money."

State Urged To Meet Impact Of Automation

SALEM (UPI)—In a rare joint appeal, labor and management urged the state of Oregon Thursday to prepare to meet the growing impact of automation.

They called for approval of a resolution to create an interim committee to map out ways of meeting the problems of technological unemployment.

Ivan Congleton of Associated Oregon Industries and George Brown of the AFL-CIO both told the Senate committee on state and federal affairs it is time to start now.

"We must face the fact that automation is becoming serious," Congleton said. "Let's get a head start on a problem we know we are going to have to face."

Brown agreed. "The longer we wait," he said, "the more difficult it will be."

He said the unions were not against automation and technological advances.

"What we are saying is if that is necessary . . . we'll have to find an answer to the displacement of these people."

Sen. Ted Hallock, D - Portland, sponsor of the measure, said the problem is here now. He said farm and lumber employment, for example, have declined severely.

"You cannot turn back the clock," Hallock said.

The resolution would create a committee of legislators and representatives of labor and industry to make an over-all study of employment problems and potential. The committee would be charged with suggesting programs and recommending ways of financing them.

Hallock stirred particular committee interest when he described a recent program in the Portland area for training waiters under the Federal Manpower Retraining Act.

He called selection of the waiter category a "farce," and said it indicated how disorganized Oregon's present efforts were.

Hallock noted, however, the several thousand dollars spent retraining one man under the federal program was a drop in the bucket compared to the sum the state would have to pay in unemployment and welfare money if he were left untrained.

Hallock said alternatives of voluntary cooperation between state agencies or between labor and management would never work.

"Do you think you would live long enough . . Do you think I would live long enough . . ?" he asked dryly.

The State Labor Department said its own programs now amount to "little beginnings on a small scale . . piecemeal attempts to hit a particular area."

It said a study could "point the way to public and private programs that can ease the transition." The department added the 1965 Oregon Legislature probably will face the decision of whether to match federal retraining funds.

Hallock noted wide support for the measure from labor, management, groups and news editors around the state.

Referring to Congleton and Brown, he added, "you have heard today something very unusual and very wonderful — unanimity between the AOI and the AFL-CIO."

New View Slows Rail Clerk Talks

SAN FRANCISCO (UPI)— Negotiations between the Southern Pacific Railroad and the Brotherhood of Railway Clerks are being slowed because they deal with an "entirely new concept" in union-railroad relations, according to Federal Mediator Frank O'Neill.

However, he said Thursday that he still hoped a settlement in the lengthy dispute over automation would be reached by Saturday night.

"This is a brand new program that this railroad and this union are embarking upon," O'Neill said. "They have to be extremely careful. . .This is not a simple wage case. . .It is an entirely new concept."

OLD-TIMERS — The Annual Oregon Pilots banquet planned for Saturday night at Reames will honor "Old-Timers," pilots who flew prior to Dec. 7, 1941. This view shows some of the old-timers of the area. The occasion was Nov. 19, 1938, when Boy Scouts of Troop 44, Tulelake, were given plane rides in this five-place Waco cabin plane as reward for scout work. They have been identified, left to right, as Hermie Turnbaugh, Tom Frey, French Johnson, George Yost, Bill Barks, the next two unidentified, Gean Mitchell, Andy Naylor, Edwin Scott and Bob McClymonds. John Coulson is barely visible in the cabin of the plane. An interesting program is planned including three speakers on different periods of early day activities at the local airport. Elbert Stiles is general chairman of the program.

Proposed Elementary School Budget Asks Increased Funds

The budget prepared by the elementary school board's budget committee for the 1963-64 fiscal year totals $1,389,179 or $90,407 above the previous year's figures.

The biggest hikes this year came in instructional costs, at $984,346, or up 37,713 and capital outlays at $31,897, or up $26,584.

Estimated total to be levied for this fiscal year is $723,575 compared to last year's $716,578 levy. Receipts and net cash balance for the district are estimated at $723,490 almost $95,000 more than last year.

A $24,294 increase in salaries for principals, supervisory personnel and teachers accounts for the bulk of the $37,713 increase in instructional costs this year.

Improvement of sites, remodeling and purchasing new equipment in the elementary district is the reason for the big jump in capital outlay.

A $1,400 ground improvement project at Lucile O'Neill Elementary School accounts for the $1,995 slated for ground improvement of sites this year. Conversion of the Riverside School heating plant from coal to natural gas, or oil accounts for the $17,697 tab for remodeling in the district and the $12,205 for new equipment is spread around the various schools for new departmental equipment.

The largest allotments will be $1,375 for new lockers at Roosevelt and $1,300 for new floor cleaners at Mills.

All other expenditures categories rose from between $2,307 and $6,523 except attendance and health service costs which are at $5,456 this year and down just a few dollars.

This year's cost for plant operation, $113,196, is up $8,523 compared to last year and the fixed charges cost, at $96,440, is up $6,906.

The cost of administration for fiscal 1963-64 is set at $34,037 and maintenance of plant costs, at $60,781, took a $3,993 jump.

Other categories that rose a few thousand dollars were: pupil transportation services, $27,853, up $2,509; and food services and student body activity, $17,629, up $2,307.

The serial levy fund of $41,250 has not been earmarked except for $17,500 toward the purchase of a new school site.

The school lunch fund expenditures have been estimated at $92,500 compared to $91,000 last year.

The 22.43 acres purchased near the new OTI site is for future school development. The land was acquired from The Superior Homes Corporaiton. It is located in the northwest quarter of the southwest quarter of Section 20, Township 38 south, Range 9 EWM.