

By FRANK JENKINS

As this is written, it is becoming rather clearly apparent that the 1963 Oregon legislature has no use for sales taxes of any kind—either the one-shot, selective kind such as a tax on cigarettes only, or a tax of a certain percentage on a wider range of goods or services.

The dogma was long since laid down in Oregon that a sales tax is a sinful tax. The dogma still rules. All but a handful of the states of our Union now have sales taxes, but Oregon refuses to join the procession with a GENERAL sales tax.

In Oregon, however, we do have a specific sales tax, a one-shot sales tax—the tax on gasoline. As this writer recalls the circumstances, Oregon has a pretty good claim to the honor of having invented the gasoline tax. It was proposed by Oregon's first Highway Commission, and was adopted by popular vote. It made possible the building of Oregon's present magnificent highway system without imposing an unbearable burden upon the Oregon public.

In effect, it was like building a house and paying for each board as it was nailed up. Under such a system, the Oregon highways were paid for as they were constructed. The Oregon public liked it. As the word spread, other states adopted the gasoline tax. It is now universal throughout the United States.

Our old uncle in Washington knows a good thing when he sees it. So, in the course of time, he latched onto the gasoline tax—thus adding the Federal tax onto the state taxes. The combination of the two has raised billions piled upon other billions of dollars for the building of highways all over the United States.

It is doubtful if the fantastic sums of money required to build the federal highway system—IN ADDITION to the state highway systems, and the county highway systems and the town and city streets—could have been raised by any system of taxation other than the gasoline tax—which has the peculiar merit of being paid a little at a time as the transportation represented by the gasoline purchased is used.

For that reason, our gasoline tax, which is a sales tax, is PAID UP ALL THE TIME, instead of coming in one back-breaking lump sum, as is the case with other taxes.

The same is true, of course, of all sales taxes. They are added to the price of the goods purchased, and are paid when the goods are paid for.

Incidental information: Oregon's proposed new constitution, if adopted, will replace one written 106 years ago, and since then amended 111 times.

The U.S. Constitution had seven original articles. The first ten amendments were known as the Bill of Rights. There have been 13 amendments since then, making 23 adopted altogether. One amendment, the 18th, has been repealed.

The U.S. Constitution was adopted 175 years ago (on June 21, 1788, when New Hampshire became the ninth state to ratify) and has been amended 23 times—24 if we include the repeal of the 18th amendment.

That is to say, the Oregon constitution, although approximately 70 years younger, has been amended five times as often as the U.S. Constitution.

Pope Starts Rest Period

VATICAN CITY (UPI)—Pope John XXIII, looking wan and tired and apparently suffering a relapse from a persistent internal disorder, cancelled a scheduled general audience on his doctor's orders at the last minute today.

Two of Italy's leading physicians spent the night in the Vatican as a precaution. Despite cancellation of the general audience, the Pope, 81, made a brief appearance on a balcony above St. Peter's Square, and then retired to begin a period of complete rest.

Vatican sources said the two doctors spent the night in the Vatican because of the Pope's condition.

A Vatican announcement later said the general audience was cancelled "as a precaution" which followed the suggestion of his doctor, Prof. Antonio Gasbarri, the Pope's principal physician.

Italian newspapers said the Pope's condition has been "visibly deteriorating" in the past few days. They said he suffered a relapse of the internal disorder, which the Vatican has described as anemia and gastric trouble.

There has been no official comment one way or the other on press reports that the Pope actually has cancer.

Weather

Klamath Falls, Tulelake and Lakeview
Partly cloudy and mild through Thursday with some afternoon and evening showers in the mountains. Low tonight 42-44. High Thursday 78-82. West-ly winds 5-15 m.p.h.
High yesterday 78
Low this morning 47
High year ago 82
Low year ago 31
Precip. past 24 hours .81
Since Jan. 1 4.74
Same period last year 7.29

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KLAMATH FALLS, OREGON, WEDNESDAY, MAY 22, 1963

Telephone TU 4-8111 No. 7148

Weather

AGRICULTURAL FORECAST
Continued warm daytime temperatures with higher humidities causing mild to heavy dew. A few showers in the mountains otherwise no general rain. Outlook Friday and Saturday fair and warmer.

Herald and News



MARKS ANNIVERSARY—Crater Lake became the nation's fifth national park just 61 years ago on May 22, 1902. President Theodore Roosevelt signed the law creating the park, the result of 17 years of labor by William G. Steel, who was the park's second superintendent from 1913 to 1916.

Integration Showdown Expected

By United Press International

Alabama and the federal government today appear headed for a showdown over integration.

A federal judge Tuesday refused to delay the ordered admission of two Negroes to the University of Alabama and Gov. George Wallace immediately vowed to "bar the entrance of any Negro" attempting to enroll in the racially segregated institution.

Another federal judge holds a hearing today in Birmingham on a petition seeking the reinstatement of 1,001 Negro students who skipped school to participate in racial demonstrations. Birmingham has been relatively quiet since the bloody rioting of May 12.

Elsewhere, racial unrest continued in North Carolina and Negro leaders promised an "all out attack on discrimination" in South Carolina this summer. At Jackson, Miss., a biracial committee expressed concern over Mayor Allen Thompson's "apparent unwillingness" to name a committee to hear Negro grievances.

Rejects Postponement Motion

Federal Judge H. H. Grooms rejected a motion at a hearing in Birmingham Tuesday that he postpone the admission of Vivian J. Malone, 20, of Mobile, and Dave M. McGlathery, 26, of Huntsville, to the university. Miss Malone seeks admission to the main campus at Tuscaloosa and McGlathery to the university's extension center at Huntsville. They have applied for the summer term beginning June 10.

Grooms refused to take "judicial notice" of Alabama's tense racial situation, stating that granting a delay would be "tantamount to saying law and order has broken down." Wallace told a hastily called news conference he will appeal Grooms' ruling. In the meantime, he said, "I will be present to bar the entrance of any Negro who attempts to enroll at the University of Alabama."

No White House Comment

In Washington, White House press secretary Pierre Salinger said there was "no comment" on Wallace's statement.

Record Set

SALEM (UPI)—The legislature today remained in session longer than any other in the state's history.

This was the 129th calendar day. The previous record of 128 days was set in 1957.

Crater Lake Observes Anniversary Of Founding

Sixty-one years ago today, Crater Lake became our country's fifth national park, according to Supt. W. Ward Yeager. On May 22, 1902, President Theodore Roosevelt signed the Act of Congress creating this park and assuring preservation of the area's magnificent natural features.

This action culminated 17 years of dedicated work by William G. Steel, "Father of Crater Lake National Park." Tradition relates that young Steel learned of Crater Lake as a schoolboy in Kansas, where he read about it in an issue of the local newspaper which frequently enraptured his lunch.

One particular article, describing a mysterious and exceptionally blue lake in the high Cascades of Oregon, aroused in Will Steel a strong desire to see this wonder for himself.

Steel's ambition was finally realized on Aug. 16, 1895, when he first looked down upon the waters of Crater Lake from the brink of the great basin which contains it.

The beauty of this lake and its setting so inspired Steel that he devoted much of his time in succeeding years to the establishment of the area as a national park. After accomplishing this objective, he served as the park's second superintendent from 1913 to 1916 and subsequently became park commissioner, a position which he held until his death in 1934.

As a national park, Crater Lake has been preserved for enjoyment by people throughout the world. The park's beauty now attracts over one-half million visitors each year, coming from all 50 states and from many foreign countries.

Republican farm congressmen moved to seize the political offensive as news of the referendum poured in. Rep. Charles B. Hoeven, an Iowa Republican and vigorous opponent of the administration program, predicted the administration would offer another program. He said the Kennedy administration was not so politically inept that it would go before the voters in 1964 with wheat prices on the skids.

Returns from Tuesday's nationwide referendum showed that the President's proposal was buried under an avalanche of "no" votes that could portend a sharp change in federal programs for farmers.

The final Agriculture Department tabulation for the record turnout was 397,776 votes against the administration plan and 547,151 in favor. There were 73,675 challenged votes to be counted later.

The percentage of "yes" votes

Klamath County wheat growers voted sharply against the proposed wheat control plan in Tuesday's voting.

Official results listed by the ASC office here showed 24 votes in favor of the plan, 190 against and three challenged votes yet to be decided.

Growers numbering 320 were eligible to vote in Klamath County, and less than 50 per cent cast their ballots in the election.

WASHINGTON (UPI)—The nation's wheat farmers overwhelmingly rejected President Kennedy's strict 1964 wheat program today in a major farm policy defeat for the administration.

Kennedy said in a statement that he accepted the "judgment" of the growers and hoped it "will prove to be a wise choice for wheat farmers and for the country." He gave no sign that he would submit new legislation to Congress this year.

And he bluntly warned that wheat prices next year would be determined by the market place—not by the government.

In the wake of the landslide vote against controls, wheat futures prices broke sharply on grain exchanges today. Opening losses ranged to 9½ cents a bushel at Chicago.

Unless there is a new bill, wheat price supports will drop from \$2 a bushel to \$1.25 and will go only to farmers who comply with planting restrictions.

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was 47.79. Kennedy failed to muster a simple majority, much less the two-thirds vote he needed to put his program into effect.

The outcome was hailed by the American Farm Bureau Federation as "a bright day for agriculture." It confronted Congress with the dilemma of whether to enact a new wheat program or let growers operate under a stop-gap plan with lower price supports.

This is what the vote meant for wheat farmers: The 1964 crop will be grown without marketing

quotas and no fines for overproduction. Price supports will drop from the present \$2 a bushel to \$1.25 and will be paid only to growers who stay within their acreage allotments.

The decision could have far-reaching effect on other farmers, too, especially in government programs dealing with farm surpluses. Kennedy's "supply management" plan probably would have been proposed for other crops if the wheat farmers had accepted it.

Kennedy and administration

leaders in Congress warned in advance that if his proposal were defeated, there would be no new wheat legislation. The President predicted prices would plummet to \$1.10 a bushel and surpluses would skyrocket if his plan were rejected.

The Farm Bureau disagreed, denouncing the administration plan as a long-range attempt to dictate "the future of life" for U.S. farmers. It said that "when farmers indicate they do not want supply control, Congress will be ready to act."

In a victory statement Farm Bureau President Charles B. Shuman said the vote showed that farmers favor a change in the direction of national farm policy.

"The way now is open for Congress to solve the wheat surplus problem on a basis consistent with the maintenance of the market system," he said. Shuman urged Congress to approve a new program "in the months ahead."

But there were indications in Congress that any effort to push through a new wheat program would run into heavy opposition.

Constitution Rescued By Senate

SALEM (UPI)—The Senate today rescued, 16-14, the constitution it defeated Tuesday and expressed the hope that "men of good will" could resolve differences on legislative apportionment.

The vote came on a motion to reconsider Tuesday's 18-12 defeat of the document.

Key senators involved in the deadlock over how to hand out legislative seats said finding a common ground would be difficult, but they considered it possible. They said they would like a chance to try.

The document went back to the Senate Committee on Constitutional Revision.

Sen. Walter Pearson, D-Portland, chairman of the committee, said former Gov. Charles Sprague would offer one apportionment plan that might be a solution.

Sen. Alfred Corbett, D-Portland, one of the eight who opposed the document on apportionment grounds, moved for its reconsideration.

Corbett termed the vote to rescue the document a real showing of who wants the constitution to pass and who doesn't. It would take 20 of the 30 senators' votes to pass.

But the vote to send the constitution back to committee was unusual. Some of its steady supporters said it was too late to do any more with it this session.

In Tuesday's action, only 12 senators voted for final passage, while 18 voted against it.

A vote swing by the eight who opposed the "Yurri plan" of ap-

portionment would have made the difference.

The document passed the House earlier. If it passes the Senate, the two chambers will have to resolve their differences to send it on to the people next year.

Sen. Anthony Yurri, R-Ontario, met with the key foe of his apportionment plan today and said some differences were resolved. He said it may be hard to resolve the basic difference, but he was willing to try.

Senators on the other side stressed willingness to seek a compromise.

Two apportionment plans were at issue as the Senate opened debate Tuesday.

In the proposed constitution was Yurri's plan.

Sens. Don Willner, D-Portland, and Glen Stadler, D-Eugene, said the Yurri plan favored the least populous counties. They sought to substitute a plan close to Oregon's present one, but with flexible House and Senate sizes.

They said the Yurri plan, although based on a population formula, departed too far from "one man, one vote."

Their move lost, 11-9, a vote that nevertheless showed their strength. Then they lost, 10-9, a preliminary move to return the document to committee.

The Yurri plan was accepted by voice vote of the Senate.

Each side suggested the other might be bluffing, and would have to take blame for the document's defeat. Charges of willfulness and stubbornness were swapped.

Then the Senate heard a lengthy review of the rest of the constitution, followed by debate that concentrated mostly on the

provision for a strong executive branch.

The executive article would make the governor the sole elective statewide executive officer and would gather agencies into no more than 20 departments. A separate elective secretary of state would be created as a "watchdog," without any executive duties.

Senate President Ben Musa even cited the Hitler period in opposing "one man rule."

Sen. Walter Pearson, D-Portland, who has been the constitution's champion in the Senate, replied the new constitution would

put more of a check on the governor than there is now.

Those voting against the constitution because of apportionment were Sens. R. F. Chapman, Vern Cook, Alfred Corbett, Edward Fadeley, Ted Hallock, Tom Monaghan, Stadler and Willner.

Those voting against it for other reasons: Sens. Eddie Ahrens, Alice Corbett, Robert Ellstrom, John Hare, Dwight Hopkins, John Inskeep, Andrew Naterlin, L. W. Newberry, E. D. Potts, and Musa.

Sex — A bill providing enhanced penalties for sex offenses was signed by the governor, the second of six to be signed.

Gotham Greet's Cooper By Ticker Tape Shower

NEW YORK (UPI)—Leroy Gordon Cooper, 36, a simple-spoken man who rode and prayed alone in space, came through a packed and screaming mass of humanity today in an accolade that showed New York had opened its heart to him.

Flashing his grin as he drove up the legendary "Canyon of Heroes" under an almost blinding shower of confetti and ticker tape that piled into his open car, whipped around light poles, and gusted to the tops of the skyscrapers, he told in his laconic twang how he felt about it all: "Fine, just fine."

Then, on the front of City Hall steps, he told the throng in the plaza before him:

"I'd like to point out one thing. This program belongs to you, the people — the program of putting a man into space for scientific purposes."

"We (the astronauts) are the ones who have received all the glory, but there are other people involved who are just as dedi-

cated. They are frequently not noticed at all."

Mayor Robert F. Wagner welcomed the Oklahoma who orbited the earth for 34 hours and 20 minutes last week and "said a little prayer" during the 17th orbit.

"It's a great thrill to have him with us for our guest today," said the mayor. And Vice President Lyndon B. Johnson, who was in the parade, echoed him and said: "All the nation has its eyes on New York. We are very grateful for your tribute to Major Cooper and the other spacemen."

The astronaut's wife and two teen-aged daughters and his mother, Hattie, also were introduced, to ovations.

During the parade from Bowling Green to City Hall, the motorcade had stopped, and Mrs. Trudy Cooper, smiling, joined her husband in the car in front of her. She sat between Cooper and Vice President Johnson, taking in the tumult and the swaying signs.

"Gordon Cooper, you're Super Dooper" said one.

Tax Conferees Disband In Deadlock On Taxes

SALEM (UPI)—Surprise appointment of two Republican senators to help draft a compromise tax program was revealed today after the Senate-House Tax Conference Committee disbanded Tuesday night in a deadlock over

cigarette and net receipts proposals.

Senate President Ben Musa, D-The Dalles, in a move full of political overtones—said he would name Republicans Anthony Yurri, Ontario, and Donald Hubbard,

Eugene, as Senate conferees. They succeed Boyd Overhulse, D-Madras, and Robert Ellstrom, R-Salem.

Yurri, Senate minority leader, and Hubbard both voted against the Senate tax program.

House Speaker Clarence Barton reappointed Richard Eymann, D-Marcola, and said he would name House Minority Leader F. F. Montgomery, R-Eugene, to succeed Rep. Victor Atiyeh, R-Portland, whose resignation from the conference committee Tuesday night forced the group to disband.

Atiyeh said he could not abandon the cigarette tax and net receipts proposals. Senate conferees said they could not accept a cigarette tax.

Change Alignment

The new appointments change the committee alignment in favor of a cigarette tax.

Barton told newsmen "I can't muster 21 Democratic votes for any tax program. I've got to have some Republican support."

Musa was more direct. "If the Republican minority in the house doesn't want to be responsible, I can't help it. The Republicans want to play politics and hang an abstruse around the neck of Democrats. If the House wants to make this a party issue, let them take it."

Tuesday's break-up came after Overhulse and Ellstrom outlined the kind of compromise they would accept.

Atiyeh's resignation came moments after Eymann objected to several features of the Senate proposal, and Overhulse replied, "I'm disappointed, I don't know where this leaves us."

Until a tax plan is approved in both houses, the legislature cannot adjourn.

meeting. Overhulse said he polled the Senate on a 3-cent cigarette tax, and it was rejected 18-12.

Overhulse and Ellstrom then proposed a compromise revenue plan which included:

—The House-approved rate schedule, increased 1 per cent over the board to make up for the net receipts tax which was dropped.

—A \$22 tax credit for personal exemptions, and an \$18 tax credit for dependents.

—Minimum filing fee of \$3, or 1 per cent of income up to \$50, whichever was larger.

—A 5 per cent standard deduction.

—A capital gains tax with a 5 per cent maximum rate, and without the present "re-invest in Oregon" feature.

—A one-shot speedup of withholding tax collections.

Sales Tax Favored

In addition the senators asked that a 3 per cent sales tax be referred to the voters in November of 1964. Half the sales tax revenue would go to offset personal property taxes, 25 per cent to offset personal income taxes, and the balance to the general fund.

Overhulse and Ellstrom said their plan would raise the \$60 million additional needed to finance a \$405 million general fund budget.

As soon as the Senate plan was presented, House members asked for a recess.

When the meeting reconvened Tuesday night Eymann said the House wanted a 10 per cent standard deduction, would consider a \$22-20 personal and dependency credit, and had reservations about the Senate's medical exemptions.

Eymann added "I can't go along with the capital gains plan unless there is an increase in the corporate excise tax."

Atiyeh then asked to be dismissed, and there was no further discussion of the Senate proposal.

Atiyeh said, "I am convinced that reform should be our contribution."

He said reform "includes the major factors of simplicity, flexibility for the future, true base-broadening and the highly desirable lowering of rates."

Alaska Town Under Water

BETHEL, Alaska (UPI)—Nearly all of this small western Alaska fishing community lay beneath five feet of dirty water today from the bulging lower Kuskokwim River. A few major buildings were left untouched but even there water lapped at foundations.

Residents said it was the worst flood in 10 years.

The Navy planned to drop more bombs on ice jams on the river about 10 miles downstream in an effort to shake the ice loose.

The ice jams are preventing the water from draining from Bethel and three other villages.

Napakak, Napakak, and Ocarville, all a short distance downstream from here, were completely inundated. More than 200 native women and children from the villages were airlifted here in helicopters and housed in the National Guard armory. Scores of local townspeople were left homeless by the flood.

The army, the school, the hospital, a power generating plant and an Alaska Communication system station were still dry.

Flitcraft Bemoans 'Endurance Record'

Rep. George Flitcraft commented Wednesday morning on the actions of the Oregon Legislature, stating, "I fail to see where there have been any big accomplishments."

He added, however, "It has set a new record for endurance."

Speculating on the possible tax proposal that would come out of the newly reformed joint House-Tax Conference Committee, Flitcraft indicated he expected a modified income tax increase, and probably a cigarette tax.

He explained that the makeup of the new conference committee now favors a cigarette tax. "I'll be surprised if they come up with a filing fee provision," Flitcraft said, adding, "From what I've heard, I think the one-shot speedup in collecting withholding funds will be held back as a reserve in the event revenues fail to come up to expectations."

House approval for a cigarette tax was seen by Flitcraft if it is reinstituted into the compromise tax package, but he felt that the Senate would probably reject it.

"It's been a long tedious session," Flitcraft commented, continuing, "It wasn't necessary that we have the longest session. The Tax Committee in the House could have gotten its tax program out and over to the Senate earlier, this would have helped. This is the main thing that has held

us up. Financing, budgeting and constitutional revision have been the main problems, but by a concentrated effort, these issues could have been brought to a head earlier."

Representative Flitcraft did not point to progress in the welfare field, however. He indicated that provision had been made for continuing investigation of fraud cases under welfare in an effort to cut down the rolls. He said that about 128 additional people had been put into the department, most of these "pointed toward rehabilitating welfare recipients and getting them off the rolls, as well as continued review and fraud investigation. It is estimated that even with these additional people, we will save money in the long run."

Adjustment by sometime next week is seen by Flitcraft. He said, "I had hoped we would be able to adjourn this week, but we're now looking into next week with still some major policy decisions to be made in the field of education."

The salary increase for education salaries was to be on the House floor today, and Flitcraft speculated that it would probably be re-referred to the Ways and Means Committee.

"We are making every at-

(Continued on Page 4-A)