

By FRANK JENKINS

Over on the other side of the fence, in California, Governor Brown wanted a withholding tax as a device to raise more money in the seemingly least painful way. The California legislature refused to give it to him.

Yesterday he indicated that he will be willing to "retreat" from the withholding tax plan if the legislature (at a special session to be called to begin on July 8) presents him with "alternate financing methods which will achieve long range budget solutions."

Meaning if the legislature will levy OTHER TAXES TO GIVE HIM AS MUCH MONEY AS HE WANTS TO SPEND.

What is a withholding tax?
This is how it works:

Withholding takes it out of the paycheck—meaning that on each payday the employer withholds a certain amount from the employee's wages and turns the amount withheld over to the government.

That HURTS.

So—
The recipients of paychecks demand an INCREASE so that their take-home pay may be the same as it was before—which seems quite logical and as it should be.

But—
There's a catch to it.
The increased wage (to give the employee as much take-home pay as he had before the withholding started) increases the employer's COSTS.

So—
Having had his costs increased, the employer is compelled to raise his prices. Whereupon the employee, when he begins to put two and two together, discovers that while his TAKE HOME pay (after his wage increase) is the same as it used to be before the withholding rignarole started his KEEP AT HOME pay is considerably reduced by higher prices for the things he has to buy.

So—
He has to jump his employer for ANOTHER pay increase so that his KEEP AT HOME pay may remain equal to what it used to be. That starts the whole vicious circle all over again.
It's the old story of the kitten chasing its tail. The kitten is doomed to eternal disappointment because the faster it moves the faster its tail moves.

The remedy—if any?
Well, it would help if government would SPEND LESS.
If government didn't spend so much, it wouldn't have to TAX so much.

Plane Fares May Be Cut

NEW YORK (UPI)—Airline travelers willing to forego meals and some other amenities soon would be able to fly to Hawaii and Europe for one-third less than the current cost under a plan announced Wednesday by Pan American World Airways.

The proposed fare for a one-way transatlantic crossing would be \$160, a reduction of \$103 from the current economy price. The "thrill" class fare from California to Hawaii would be \$100 as compared with the present \$133.

The new rates to Hawaii are subject to approval by the Civil Aeronautics Board. The transatlantic rates would require approval by other interested carriers and their respective governments, since they would involve international routes.

Weather

Klamath Falls, Tulelake, and Lakeview
—Partly cloudy tonight and Friday with late afternoon and evening showers or thunderstorms both days. Low tonight 42-44. High Friday 76-78. Variable winds 4-15 m.p.h.
High yesterday 83
Low this morning 63
High year ago 74
Low year ago 41
Precip. past 24 hours .30
Since Jan. 1 3.81
Same period last year 8.11

Price Ten Cents—24 Pages

KLAMATH FALLS, OREGON, THURSDAY, JUNE 27, 1963

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Herald and News

Weather

AGRICULTURAL FORECAST
Rapidly changing weather conditions the next few days from sunny periods to periods of shower. Temperatures mild but cool for this time in June. Haying outlook only fair with a threat of recurring showers.

Russ Ships Ignore U.S. Navy Warning

ABOARD THE USS FORT SNELLING AT SEA (UPI)—Four ships, three of them Russian, sailed through the search area for the missing submarine Thresher during the past five days despite a U.S. Navy warning to all vessels to steer clear of the area the Navy disclosed today.

The Navy disclosure came as the bathyscaphe Trieste was readied for its third dive to the ocean bottom in an effort to find the Thresher which sank April 10 with 129 men aboard.

The Navy said it served notice to all ships to remain out of an area in a 25-mile radius from the point where the nuclear powered submarine disappeared.

The Navy said two foreign vessels, one Russian and the other unidentified, passed through the prohibited zone early today.

Later, at 9:15 a.m., a Russian ship identified only by the numbers RT255, described by the Navy as a "mother ship" carrying supplies for the fleet of Russian trawlers off the U.S. coast, passed 1.3 miles from the marker buoy and within 1.5 miles of the Trieste.

The Trieste, prowling the ocean bottom 8,400 feet below the surface, made sonar contact Wednesday with a 60-foot long unidentified object.

The contact came in an area where pictures were taken previously of debris believed from the sunken \$45 million submarine. Three separate magnetic contacts also were made recently in this location some 220 miles off Massachusetts' Cape Cod.

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RUGGED RIDE—Harry Noble, Klamath Falls born rodeo ace, is shown here as he comes out on a rough customer in the bull riding event. Noble, raised on a ranch in Langell Valley, was attracted naturally to the rodeo circuit and still makes all rodeos possible while residing in the Klamath Basin. Noble will be one of the top performers at the Klamath Basin Roundup, July 2, 3 and 4 at the Klamath County Fairgrounds.

Labor Secretary Asks Power To Battle Racial Job Bias

WASHINGTON (UPI)—Labor Secretary W. Willard Wirtz asked Congress today for new tools to fight job discrimination by employers and labor unions.

Wirtz said a nationwide shortage of jobs, lower qualifications of many Negro job-seekers, and racial bias were the main causes of the Negro's economic plight.

He told the House Judiciary Committee that two provisions of the administration's seven-point civil rights package would attack discrimination in hiring and promotions.

The labor secretary followed Atty. Gen. Robert F. Kennedy in the witness chair to open the campaign for the President's proposals to lower racial barriers.

Says Progress Made
Wirtz said the President's Committee on Equal Employment Opportunity has made amazing strides in halting discrimination by the federal government and U.S. contractors who employ 20 million workers.

About one-fourth of newly hired workers in 105 companies which have signed anti-discrimination pledges have been from minority groups, he said. A total of 118 unions have signed similar pledges.

Yet much remains to be done, Wirtz said. He endorsed legislation to make the presidential committee permanent and to give the President authority to block use of federal funds in any project or program that results in discrimination.

The labor secretary said a special effort was being made to get more Negroes working on federal construction sites in craftsmen's jobs.

Most Are Laborers
Surveys of 47 major projects show that Negroes usually held laborers' jobs on construction sites built with federal funds, Wirtz said. Of 7,795 workers on the sites, 1,399 were Negroes and all but 316 were laborers. The skilled journeymen included 5,554 whites and 209 Negroes, he said.

Wirtz said 10 per cent of Negroes in the labor force were unemployed compared with half that ratio for whites. This results partly because Negroes have fewer skills and are easily displaced by automation advances, he noted.

The most basic cause of Negro joblessness, however, is the present shortage of jobs in the economy for all workers, the labor secretary said.

"It will be a hollow victory if we get the 'whites only' signs down, only to find 'no vacancies' signs behind them," he said.

Another cause of Negro woes is "unquestionably" their less adequate preparation and training for better jobs, he added. A third reason he listed as the "harsh, ugly fact of discrimination."

As long as imperialism exists there remains the danger of imperialism unleashing a world nuclear rocket war," he said. "It is impossible not to see that aggressive forces in the Western powers headed by the imperialist circles of the United States are continuing their war preparations."

The official Communist party newspaper Pravda reacted to Kennedy's Berlin visit by claiming a Bonn-Washington "atomic axis" that "reeks of war" had emerged from Kennedy's talks with West German Chancellor Konrad Adenauer.

"It was not for nothing that the question of the so-called multi-lateral nuclear NATO force, whose establishment is planned as a screen for the atomic arming of the Bundeswehr (West German army), was one of the main subjects of the Kennedy-Adenauer talks," Pravda said.

Way Paved For Referral Of State's Tax Measure

SALEM (UPI)—A petition to refer the 1963 legislature's \$60 million revenue increase measure was filed at 10:15 a.m. today by J. Francyl Howard, editor of weekly newspapers in Albany and Corvallis.

It was indicated another group might also file to refer the revenue measure later today.

SALEM (UPI)—Two separate groups were expected today to file formal notice of referral of the 1963 legislature's 100 million revenue increase measure.

The way for referral was paved at 8:45 a.m. today when the tax bill and 19 other measures were delivered to the secretary of state.

The final group of 20 bills became law at 12:01 a.m. today without the signature of Gov. Mark Hatfield.

J. Francyl Howard, editor and publisher of weekly newspapers in Albany and Corvallis, told UPI he expected to appear in the capitol at about 2:30 p.m. to file for referral.

Howard, president of the Citizens Committee for Economy and Equitable Taxation, announced on June 17 that he would lead a referral movement. He filed a referral petition at that time, but it could not become legal until the tax measure was in possession of the secretary of state.

Meanwhile, Jack Thompson, elections supervisor for the secretary of state, revealed another group had notified him of intention to refer the revenue measure.

"I'm not at liberty at this time to say who it is," Thompson said. Howard told UPI he also had heard another group planned to file a referral petition.

"That's fine with me," he said. "We'll merge with them or do whatever is necessary to get this bill referred. I don't care who does it, as long as it is done."

Thompson said there is no prohibition against two groups circulating petitions on the same measure.

"It's never happened before that I know of," he added. Thompson said as soon as a petition is filed with him, he will send the measure to Atty. Gen. Robert Y. Thornton.

Thornton has 10 days in which to assign a ballot title to the bill.

The Senate voted 65-30 Wednesday to authorize \$435 million more for the Area Redevelopment Agency over the next two years. The vote in favor was two higher than when the agency was created in 1961.

Democratic leaders hoped the Senate vote would be enough to make the House change its mind after it defeated the bill by five votes, 299-204, two weeks ago. The House vote was President Kennedy's worst legislative defeat of the session.

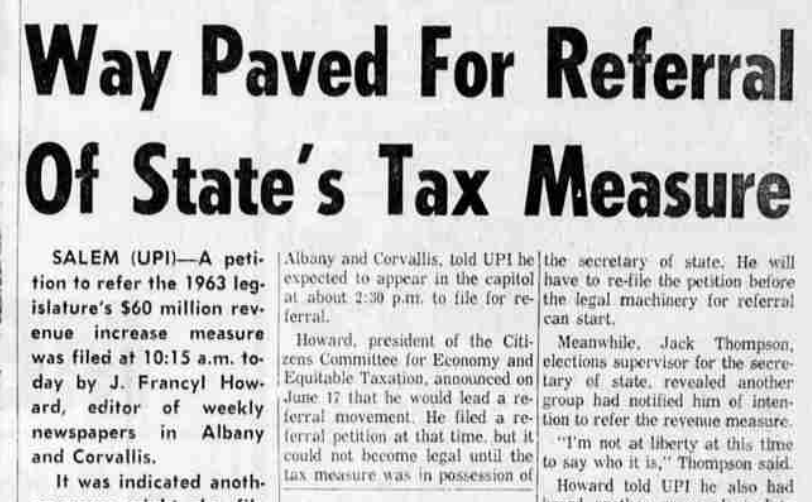
The Area Redevelopment Agency provides funds for business enterprises in areas of persistent unemployment. But opponents said the program had been manipulated politically and had failed to reduce unemployment significantly.

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All U.S. bomber production stopped last year, and Defense Department critics have questioned abandoning the manned bomber to rely solely on missiles.



Depressed Area Aid Hope Grows

WASHINGTON (UPI)—Democratic leaders felt that chances of pushing expanded aid to depressed areas through the House on a second attempt were brighter today after overwhelming approval of the measure by the Senate.

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The bill's manager, Rep. George H. Mahon, D-Tex., told the House, however, that other possible supersonic bombers were under study. He said Congress probably would be asked for money next year to build one final-type manned strategic aircraft for addition to the bomber fleet now dominated by the obsolescent B52.

The building is headquarters for reserve Army officer training on the campus.

Another fire broke out in the building late Wednesday night, and flames shot high into the air. The alarm was turned in about 11:35 p.m. and firemen battled the blaze for about 1 1/2 hours.

There was no immediate damage estimate. Damage from the April 25 blaze was placed at \$143,000.

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Bloodmobile Visit Slated

The Red Cross Bloodmobile unit will make a visit to the Klamath Falls area Tuesday and Wednesday, July 9 and 10.

On July 9 the unit will be at the Veterans of Foreign Wars Hall, 515 Klamath Avenue, between 2:30 and 7:30 p.m. The goal set for July 9 is 200 pints of blood.

The next day the unit will call at the Kingsley Field Service Club between 10 a.m. and 3 p.m. The goal for the Kingsley Field visit is 250 pints.

Citizens who are unable to give blood on July 9 may donate blood the next day at Kingsley Field.

Dead is Sandra Lee Moore, 16, of the Sportsmen's Lodge on the Klamath River, who was killed instantly when she lost control of the automobile and was pinned under it after attempting to avoid striking a dog on the highway.



Dog Blamed For Death

A dog that darted in front of a speeding automobile was blamed for a one-car accident that brought death to the driver of the vehicle and minor injuries to its passengers, near Scott River, in Northern California, about noon Wednesday, the California Highway Patrol has reported.

Dead is Sandra Lee Moore, 16, of the Sportsmen's Lodge on the Klamath River, who was killed instantly when she lost control of the automobile and was pinned under it after attempting to avoid striking a dog on the highway.

Passengers in the vehicle who received bruises were Karen Kazaska, 14, Danville, Calif., Mary E. Ross, 12, and Kathleen Ross, 16, both of Whittier, Calif. The Ross girls were taken to the Siskiyou County Hospital later last evening for observation; Miss Kazaska did not require medical attention, it was reported.

The highway patrol said that Miss Moore was westbound along Mill Creek Road, about a mile east of Scott River, when she lost control of her car. The automobile slid broadside along the road and then turned over on top of the driver.

The wreck was discovered soon after by employees of the Fish and Game Department who reported it to the Siskiyou Sheriff's Office.

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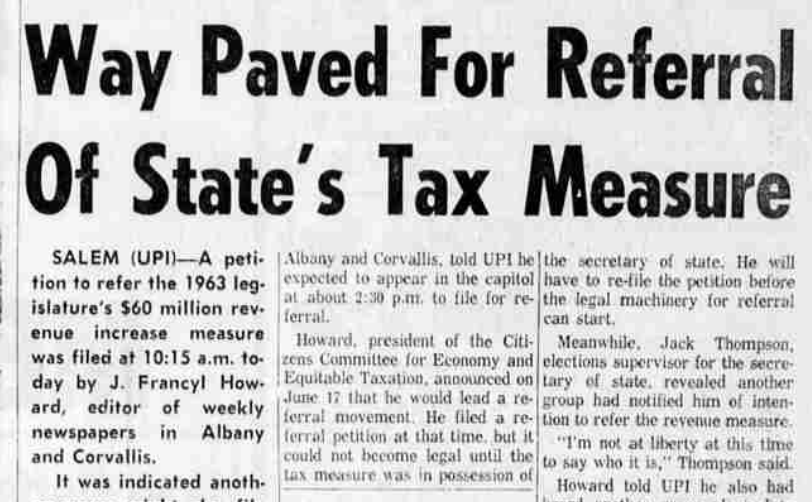
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Defense Bill Okay Seen

WASHINGTON (UPI)—The Senate appears likely to concur in all but a few details to the \$47 billion defense appropriations bill passed by the House.

By a 410-1 vote Wednesday, the House approved the bill which accounts for almost half of the entire \$98.8 billion federal budget for the fiscal year beginning Monday.

Senate sources said the bill, trimmed by about \$1.9 billion from the President's request, was almost in line with the general views expressed by the Senate military appropriations subcommittee.

The subcommittee already is at work on the Senate version. But Senate action is not expected to come until after the fiscal year begins. Final passage of the bill after the start of the year is not uncommon, and Congress already has given the Defense Department authority to spend at current levels until the new budget is approved.

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FLOAT THEME SET BY PP&L—Animated circus animals, performing at the command of circus ringmaster Reddy Kilowatt, will set a gay theme for the Klamath Falls Pacific Power and Light Company's float to be entered in the Fourth of July parade which is sponsored by the Klamath Jaycees. In the menagerie are a baby elephant on skates, a sea lion balancing a ball and a brown bear rolling a ball. The parade route this year will be along Esplanade Avenue instead of along Main in front of the Crater Lake Creamery.

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