

Senate Group Hears Final Tax Cut Witness

WASHINGTON (UPI) — The Senate Finance Committee takes testimony from Chairman William McCleskey Martin of the Federal Reserve Board, presumably the last public witness on the \$11 billion tax cut bill.

Passed by the House, the bill would provide an across-the-board tax cut beginning Jan. 1. The cut would affect about 51 million taxpayers and 570,000 corporations.

Senate Republican Leader Everett M. Dirksen, Ill., asked that Martin be called. He said

it was not clear what the effect would be if expanding businesses and the government — which must finance its deficits — find themselves competing for money in the same credit market.

The 17-member finance committee will meet in closed session after McCleskey testifies to begin voting on more than 25 pending amendments to the bill.

Other congressional news: Economy: House Republicans claimed today to have helped save \$7.5 billion this year. They promised to look for even bigger savings next year. Rep. Frank T. Bow, R-Ohio, chairman of the so-called economy task force, said that Republicans were "chided" when they announced in January that they planned to seek appropriations cuts. He said that while not all money bills for the current 12 months have been acted on, bills approved by the House so far have been trimmed \$5.4 billion. When all have been passed, Bow said the cuts would reach \$7.5 billion.

Aid: Sen. Wayne Morse, D-Ore., sought Senate support for a last-ditch effort to send the compromise foreign aid bill back to conference. The \$3.6 billion authorization bill was passed by the House Monday on a narrow 195 to 184 vote. Morse said the bill had been "gutted" of Senate-approved policy restrictions by the conference.

State Board Approves Tuition Hike

PORTLAND (UPI) — The State Board of Higher Education Monday approved a plan to raise summer school tuition from \$100 to \$132 for eight-week terms at its colleges and universities.

Dr. Roy Lieuallen, chancellor of the State System of Higher Education, asked for the increase.

There were 13,276 summer students this year. A total of 16,789 is expected next year.

The board gave its approval to a proposal for an independent summer session at Portland State College.

Summer studies at the school have been under the Division of Continuing Education of the state system.

The board deferred action on a written policy for handling gifts, grants and contracts for research and instruction within the state system's institutions of higher learning.

Dr. Lieuallen prepared the policy. Secretary of State Howell Appling Jr. recently criticized the handling of research funds by the institutions.

The board approved preliminary plans for two 100-unit dormitory units at Southern Oregon College in Ashland.

The additions would be to Cascade Hall at a cost of \$440,000.

Also ok'd were a bid calling for an \$875,000 central heating plant addition at the University of Oregon, a bid soliciting for a \$565,000 dormitory at Oregon College of Education and a bid calling for the \$600,000 conversion of the research vessel Yaqina for use by the Department of Oceanography at Oregon State University.

Halloween 'Fun' Costs Pair \$1,000

COLLINGSWOOD, N. J. (UPI) — A man and woman were fined \$1,000 each Monday for "reckless disregard" in giving drugs and tranquilizers to a number of children making "trick or treat" calls last Halloween.

Frederick E. Waterhouse, 60, of Collingswood, and Mrs. Edna McCrory, 39, of Philadelphia, were convicted by Municipal Judge David Greenberg. They also were given six months suspended sentences.

Four children testified during the seven-hour trial. John Kostor, 8, testified he heard Mrs. McCrory laughing inside the house after he and his twin brother had been given cellophane-wrapped packages of "candy pills."

Mrs. McCrory admitted laughing but said she was amused at the costumes of the two boys. She said she made a mistake in thinking the pills she found in a cookie tin in the Waterhouse home were candy.

The judge found Mrs. McCrory guilty of reckless disregard for not having inquired about the pills. He said Waterhouse was responsible for his home and what was in it.

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He disclosed in his long speech to the opening of the party meeting Monday that Soviet collective and state farms delivered 21 per cent less grain to the state-controlled markets this year than last. He defended his decision to buy more than \$700 million worth of wheat in the West and said Stalin let people starve during bad harvest years while continuing to export wheat.

Then he outlined the seven-year program to increase farm yields and make such grain purchases unnecessary in the future.

Khrushchev's plan for the chemical industry was double what had been expected. Its goals and details included:

- Doubling the output of the chemical industry by 1970.
- Investing \$46 billion, including more than \$25 billion for the plants themselves.
- Producing 70 to 80 million tons of chemical fertilizer by the end of the plan, which would make it possible to double present grain and fodder production.



"Well, SOMEONE at this address ordered five Chinese dinners!"

Communist Party Leaders Debate Khrushchev Plan

MOSCOW (UPI) — The leadership of the Soviet Communist party today began debate on Premier Nikita S. Khrushchev's \$46 billion plan for a speedy buildup of the chemical industry, possibly with the aid of entire plants purchased in the West.

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Hoffa Opens Campaign For National Contract

CHICAGO (UPI) — Teamsters President James R. Hoffa opened his "conference table" fight for a national contract with the trucking industry today in what may be the most important negotiating session in the turbulent history of his union.

Hoffa and his union aides were meeting at the conference table with a special committee of Trucking Employers Inc. (TEI), newly formed, "to put up a united front to union demands."

The employers group represented thousands of trucking firms across the nation, ranging from small intra-city lines to the huge over-the-road transcontinental carriers.

A start toward Hoffa's long-sought national contract hung in the balance of the discussions. Ever since Hoffa first advanced the idea of a national trucking pact he has met opposition from management and many government officials who contend such an agreement would give him power to precipitate a national emergency by calling a strike.

Chairman of TEI's negotiating team was C. G. Zwingle, vice president of Pacific Inter-mountain Express.

The special committee was authorized only last week to "attempt to negotiate" a national contract agreement with the teamsters. Zwingle said at that time that the truckers hoped to modify contract provisions "to secure greater flexibility of operations and a greater utilization of manpower and equipment."

Property Taxpayers To Feel Impact Of Economy Program

Editors Note: Property taxpayers next year will receive a brutal reminder of the state's austerity program, for about 25 per cent of the cutbacks were in the form of state aid to local school districts.

By ZAN STARK
United Press International
SALEM (UPI) — Taxpayer enthusiasm for the economy program demanded by the Oct. 15 tax referendum may disappear next fall when local property tax bills are issued.

Of the \$46.3 million cutback, \$12 million came from the 1964-65 basic school distribution.

Finance and administration analysts anticipate about a \$1.2 million carryover from the fund this year — which means the net reduction in state aid to local schools will total \$10.8 million.

This means the Portland school district will suffer a \$1,493,685 cut in aid which will reduce the state's grant to \$7,499,283. To put it another way, Portland school district taxpayers will have to pay \$1.79 in additional property taxes for every \$1,000 of true cash value of their property to make up the loss.

Many districts will be much harder hit.

Eugene's \$355,790 loss translates to a \$5.25 per \$1,000 hike in local taxes. Medford's \$280,747 to \$5.06, Roseburg's \$195,802 to \$5.59, Coos Bay's \$204,751 to \$5.68, Bend's \$122,270 to \$5.23 The Dalles' \$95,724 to 5.85.

In most cases, the normal school growth demands, coupled with the extra tax burden resulting from basic school aid

cuts, will force local budget elections.

Many lawmakers were aware of this when they approved the cuts in basic. They felt in view of the Oct. 15 referendum that local school district voters should make the decision.

Because a portion of the basic school fund is designed to provide extra money for poor

school districts, they will be hardest hit by the cutbacks.

The idea behind the basic school support fund is to use income taxes collected by the state to help local school districts operate, thus reducing local property taxes.

The Oct. 15 vote resulted in budget cuts, but did not reduce the number of children in the schools.

As a result, part of the cost of operating local schools has been shifted back to the local school boards to decide if they

want to — or can — trim their operations. If they cannot, the cuts ordered at the state level will have to be made up locally.

The implications of this shift are difficult to forecast.

The increased tax bills will be mailed out in most counties just a few days before next November's elections. All 60 House seats, and half the 30 state Senate seats will be determined at that election.

The impact of increased local tax bills could affect the out-

come of the elections. Wednesday: The schools that won't be built.)



UN Troops In Korea Shoot Man

SEOUL, Korea (UPI) — United Nations Command (UNC) troops killed an unidentified person in the demilitarized zone Monday night, the UNC announced today. But South Korean reports of a clash between U. S. soldiers and Communist troops could not be confirmed.

A South Korean news agency said the clash took place early this morning and that one North Korean was killed. It said its report came from unofficial sources in the South Korean army.

A UNC spokesman said there was no exchange of gunfire in Monday night's incident. It was not known if the victim was a civilian or soldier. Two other persons escaped before UNC troops could apprehend them, he said.

The UNC did not say if American troops were involved, but the area of the border where the incident took place is largely covered by U. S. elements of the UNC.

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Heavy Snowfall Covers Western Prairie States

By United Press International
Heavy snow spread across the western prairies today and the weather bureau said the storm would increase to blizzard intensity during the day.

Three inches of fresh snow fell in the pre-dawn hours at Salt Lake City, Utah, and Lander, Wyo.

Heavy snow warnings were issued for Kansas, Nebraska and South Dakota. Hazardous driving warnings were posted for parts of Wyoming, Colorado, New Mexico and Arizona. Ranchers in western Kansas were urged to protect their livestock against the storm.

More than two inches of new snow blanketed most of the area by daybreak.

Elsewhere, snow flurries continued from the Great Lakes states eastward into the North Atlantic. The weather bureau said up to 15 inches of heavy, wet snow were expected by nightfall in snowbelt areas south of Buffalo, N.Y.

Up to 10 inches of snow fell in western Pennsylvania Monday. Roads were ice-covered and slippery and many minor traffic accidents were reported.

Racing at Waterford Park at Chester, W.Va., was cancelled Monday because the snowstorm created hazardous driving conditions on roads leading to the track.

At least four persons died when a car skidded off U.S. 99 north of Los Angeles Monday night in a rainstorm. The car, carrying nine persons, tumbled down a 150-foot embankment.

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DOORS OPEN 6:45 TOWER TU-4-8484
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ALFRED HITCHCOCK'S 'The Birds' GREGORY PECK - ROBERT MITCHUM - POLLY BERGEN
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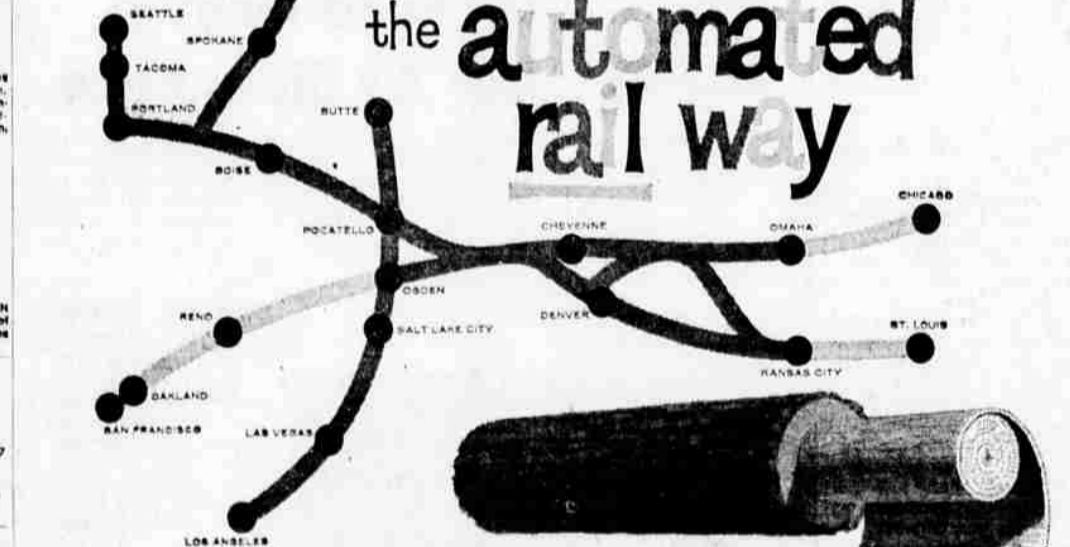
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