

# Defense Department Plans Closure Of 4 Shipyards

WASHINGTON (UPI) — The Defense Department hopes to shut down four of the government's 11 naval shipyards in its drive to cut costs, it was learned Saturday. But it may take a year to decide which ones get the ax.

Military, economic and political factors are so interlaced in the intended major curtailment that Pentagon proposals will get closest White House scrutiny before decisions are reached.

The blow may well be delayed until after the elections next November.

In any event, with memory of

the recent congressional furor over base closings fresh in mind, the Pentagon was said to be in no hurry about performing a more drastic surgical operation on shipyards.

The 11 yards are in nine states and employ 93,055 workers. Their original cost, dating in some cases back to 1890, totaled more than \$1.5 billion. The present value is about \$3.4 billion.

The Puget Sound Naval Shipyard is one of the 11.

Defense officials now reckon that excess capacity in all the yards combined amounts to 50 per cent or more. This was the basis for their aim to close four yards.

On Dec. 11, when the Pentagon was preparing to announce plans for closing 25 domestic and seven overseas military facilities, reports circulated that

the shipyards at Boston, Philadelphia and San Francisco might be closed. Senators and congressmen reacted sharply.

The next day Defense Secretary Robert S. McNamara told newsmen he did not know why some members of Congress expected those shipyards to be closed. But he said it was "quite clear that we have excess capacity in our naval shipyard system today." He said "a very complicated, extensive and intensive study" was under way and would be completed "sometime in the next 12 months."

Information which became available Saturday indicated there would have been shipyard closings or reductions but that McNamara was frustrated in his effort to get conclusive information from the Navy on which ones should be closed.

The secretary would have to have an airtight case to support action to shut down one naval shipyard as against another, in view of the large economic and political factors concerned.

On Dec. 18, it was announced that Navy Secretary Paul H. Nitze would himself be chairman of a new high-level board to study "shipyard capacity and requirements."

Defense officials gave no hint what deadline there was for the Nitze study.

Portland (UPI) — The manager of Oregon Tax Research said Saturday that the State Tax Commission's estimate of the return from a proposed sales tax in Oregon was "conservative."

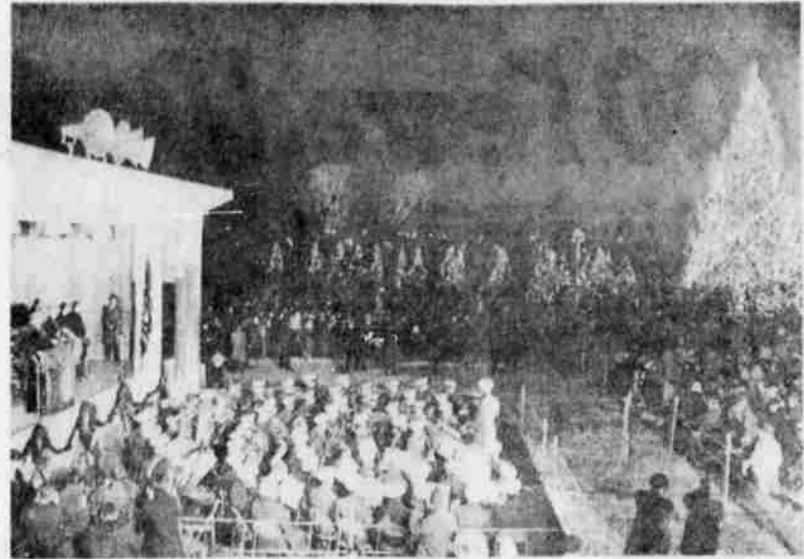
"There is no intention to discredit the commission in its projected yield from a sales tax in Oregon," George Annala, a former state representative from Hood River, said.

"But it is my considered opinion that the commission's estimates are conservative," he said.

The commission estimated that a three per cent sales tax in the state would bring in \$79 million annually if food were included or \$96 million a year if food purchased for home consumption were exempt.

Annala said he agreed with an estimate of \$13 million by the commission for the difference between taxing or not taxing food consumed off premises.

"I have no quarrel with their use of this figure," he said. "It is to the \$96 million estimate that I would like to call attention. In my judgment, this is 10 to 20 per cent below what may actually be realized."



**LIGHTS NATIONAL TREE** — President Johnson (left, on stage) presses the button lighting the National Christmas Tree (right) and officially opening the 1963 Pageant of Peace Sunday evening. Earlier, the Chief Executive attended an interfaith Candlelight Service on the steps of the Lincoln Memorial for the late President John F. Kennedy.

## Group Argues Sales Tax Take

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## Weather Roundup

**Five Day Weather**  
Western Oregon: Highs in 40's and lows in 30's; above normal precipitation except near normal southwest Oregon. Amounts near an inch and a half for inland valleys and more than two inches on coast.

**Eastern Oregon:** Highs mostly in 30's and lows 15-20; precipitation about normal except light in southeastern Oregon.

**Temperatures during the 24 hours ending at 4 a.m. PDT today.**

	High	Low	Pep
Astoria	58	54	20
Baker	32	23	T
Brookings	58	—	—
Medford	49	29	—
North Bend	60	33	—
Pendleton	46	33	05
Redmond	41	33	01
Salmon	52	35	01
The Dalles	39	32	01
Chicago	24	29	T
Los Angeles	70	59	—
New York	36	30	—
Phoenix	62	49	—
San Francisco	58	47	—
Seattle	48	43	58
Washington	34	23	—

Portland - Vancouver: Periods of rain through Tuesday; highs 45-49; low about 39.

Western Oregon: Occasional rain through Tuesday; highs 45-

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## 12 Escape Bus Crash

PRAIRIE CITY (UPI) — Twelve persons, most of them Prairie City High School students were hospitalized Friday night when a school bus and two autos were involved in a crash on U.S. Highway 26.

None of the 11 students were injured seriously. Another nine were treated at Blue Mountain Hospital in John Day and released.

State Police said the students all lived in the Bates area, about 18 miles east of Prairie City. They had gone to Prairie City to see the Prairie City-Herford basketball game and were on their way home when the accident occurred.

Police said a westbound car driven by Dennis Barrett, 19, of Prairie City struck the rear of a car containing Mr. and Mrs. Leland McGirr, Long Creek. The Barrett car then bounced into the path of the bus, which went over the top of it.

Barrett, who suffered multiple fractures, was transferred to a hospital at Caldwell, Idaho.

Hospitalized at John Day were Robert Frazier, 14; Diane Phillips, 15; Jacqueline McChesney, 13; Patricia McChesney, 17; Michael Phillips, 14; Elizabeth Thompson, 14; Alice Vincen, 16; Harveta King, 12; Linda Henstone, 14; Linda Couhal, 14; and Susan May 14.

Hospital attendants said Michael Phillips had a fractured arm. The others were suffering from cuts, bruises or shock.

## Twelve Persons Killed In Weekend Accidents

By United Press International

Twelve persons died as a result of accidents in Oregon during the pre-Christmas weekend. There were 10 traffic deaths and two drownings.

Thomas Purcell, 18, Cottage Grove, was fatally injured when his sports car went off State Highway 226 four miles north of Cottage Grove Sunday.

Lyle McClure of Silverton was killed in a two-car collision on State Highway 22, about 20 miles southwest of McMinnville, Sunday.

Air Force T. Sgt. Jack Owens, 35, drowned in Agency Lake 30 miles north of Klamath Falls Sunday. He fell into the water from a small boat while hunting waterfowl. He was stationed at Kingsley Field near Klamath Falls.

Ernest Kellen, 23, Rockaway, drowned in the Trask River eight miles east of Tillamook Sunday. He fell into the water when his eight-foot boat capsized.

Three persons lost their lives in a two-car accident east of Portland Saturday. The victims were Guy Gorrell, 71, Boring

and his wife, Ina, and Robert Currie, 23, Portland.

Mrs. Margaret Goshanz, 78, Springfield, was struck and killed by a car in Springfield Saturday.

James Herrington, 33, Eagle Point, was killed in a two-car collision on U.S. Highway 199 five miles north of Cave Junction Saturday.

Jacob Rosenburg, 37, Astoria, died when his car plunged off State Highway 202 into the Youngs River three miles east of Astoria Saturday.

George Helm, 22, Bend, was killed when the car in which he was riding slammed into a tree on U.S. Highway 97 five miles south of Bend Saturday.

Brian Hanson, 2, Fortuna, Calif., died in a Medford hospital Friday night from injuries suffered in a one-car accident near Cave Junction Friday.

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## Power Clipped By Pole Crash

OREGON CITY (UPI) — A car containing three teenage boys hit a power pole here early today, knocking out electrical service to the downtown area for more than an hour.

A few outlying districts also were affected.

Injured in the crash were the driver, Glen Milton Harvey, 16; William Henry Sartorius, 16, and Wayne Harvey Mooney, all of Oregon City. The latter two were taken to Oregon City Hospital, which was without power as a result of the crash. Hartley was treated at Willamette Falls Hospital, which was not affected. All three were reported in satisfactory condition.

The blackout occurred at 12:25 a.m. and Portland General Electric Co. workers had the lines back in service at 1:36.

## Threat Results In Charge

FORT WORTH (UPI) — Maximum security measures today cloaked Russell Wence McLarry at county jail where he was held on charges of threatening to kill President Kennedy the night before the assassination.

"He's in solitary confinement," desk Sgt. Harry Hopkins said. "We don't want anything to happen to him."

McLarry, 21, admitted the threat but said it was a joke.

McLarry, who was quoted by a Secret Service man as saying he was glad Kennedy was dead, said at his arraignment that he wished the President had been impeached but was not glad to see him dead by violence.

"If I can be tried for a joke and found guilty," he said, "then that is the extent of it."

Federal attorneys said no link had been established between McLarry and accused assassin Lee Harvey Oswald.

McLarry's father described his son as "a patriotic boy... who shoots off his mouth too much... I know my boy didn't intend to kill President Kennedy."

The part-time student, who worked as a machinist across

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the street in Dallas from where Kennedy was to speak Nov. 22, was held today in Tarrant County jail in absence of \$2,500 bond.

Charles E. Kunkel, special Secret Service agent, testified at the arraignment before U.S. Commissioner Bill Atkins Thursday. The charge said McLarry "made certain threats to take the life and inflict bodily harm to John Kennedy, then the President of the United States."

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