

Kennedy in Gesture to Business

WASHINGTON (AP) — President Kennedy in a public speech and a private session with businessmen sought yesterday to bolster cooperation and confidence between his administration and the business world.

He talked for an hour early last night with a group of business leaders headed by Roger M. Blough, chairman of U. S. Steel Corp. The announced topic was the balance-of-payments problem and the outflow of U.S. gold.

But the over-all aim — and perhaps the area of discussion — was much wider than this. In a news briefing after the White House session, Press Secretary Pierre Salinger said:

"THE PRESIDENT FEELS that this kind of cooperation is most important and is the kind of cooperation that can be most helpful between business and the government."

The business leaders who met with Mr. Kennedy compose a special committee of the Business Council, formerly known as the Business Advisory Council.

Salinger said it was agreed that the committee will examine steps already taken by the Kennedy administration to reduce the balance of payments deficit with the consequent disappearance of U.S. gold, and make recommendations that the business leaders feel might be helpful in meeting the problem.

Mr. Kennedy's White House session came as a private follow-up on his public assertion earlier yesterday that his economic critics should get in step with the times.

SPEAKING AT YALE University, where he received an honorary degree, the President said blaming the administration for the stock market slump is a "false issue" and added:

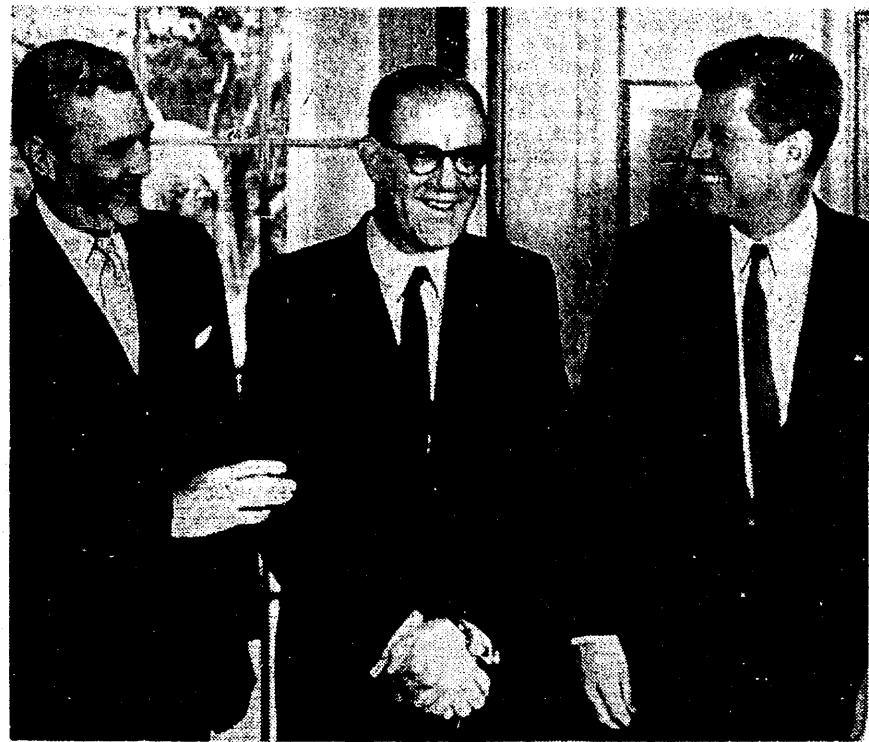
"The solid ground of mutual confidence is the necessary partnership of government with all sectors of our society in the steady quest for economic progress."

Salinger said the committee was the outgrowth of a meeting April 17 between Mr. Kennedy and Blough.

THAT MEETING came shortly after Blough's company had initiated a \$6-a-ton steel price increase and later rescinded it under heavy administration pressure.

This episode brought to a new pitch business criticism

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WASHINGTON—President Kennedy with Roger M. Blough (center) board chairman of U.S. Steel Corp., and Henry C. Alexander, chairman of Morgan Guaranty Trust Co., after White House conference. AP Wirephoto

A-Test to Blank Radio in Pacific

HONOLULU (AP) — The Federal Aviation Agency said yesterday the coming high-altitude nuclear blast above Johnston Island—to be the biggest in the U.S. test series—would instantly blank all high-frequency radio communication in the Pacific.

The disruption will last as long as 32 hours, maybe longer, in most areas, the FAA disclosed. Some civilian overseas aircraft will be grounded indefinitely, it added.

Johnston Island is 750 miles southwest of Honolulu.

IN A SEPARATE development in the Pacific test series, Joint Task Force 8 ordered closing of the nuclear danger area surrounding Christmas Island, 1,350 miles south of Honolulu, indicating it was ready to fire the 18th shot from that test site.

JTF's notice to aviators and navigators said the rectangular Christmas Island danger zone—600 by 700 miles—would

Air Conditioning Possible

Sale of Dirt, Bonds to Help Finish Hall

The sale of dirt and \$3.5 million in councilmanic bonds will enable the city to complete the expansion of Public Hall's underground exhibit space.

The dirt came from the big hole dug in the Mall to accommodate the new structure. The federal government is to give the city about \$600,000 for it because it was used to fill a ravine in Garden City, a government-financed urban renewal project.

LEGISLATION TO ISSUE the councilmanic bonds was introduced in City Council last night. Written by Councilman Wilson M. Latkovic (D-31) and offered in the name also of 25 other councilmen, its passage was assured.

The \$3.5 million from councilmanic bonds, plus the \$600,000 dirt money and \$7,750,000 remaining from a \$10-million bond issue approved by voters for construction of the hall will give the city a total of \$11,850,000.

Mayor Anthony J. Celebrezze said yesterday he believed this amount would permit installation of air conditioning in the new hall. Cost of air conditioning, listed as an alternate but not as part of the basic bids opened last Thursday, would be about \$600,000.

THE MAYOR SAID that without the councilmanic bond issue it would be doubtful that the city, with only \$7,750,000 of original bond money remaining, could award a contract even for the basic job, the low bid for which was \$10,556,000.

It was not expected that other alternates which would be desirable in the new hall, to enable it to compete with modern halls in other cities, could be bought for the \$11,850,000. These would include such improvements as moving stairways and movable walls to divide the big hall into smaller units.

The mayor said the councilmanic bonds would be issued over a two-year period.

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Rocky River Bridge Bids Are Delayed

Bid opening for the proposed Clifton-West Lake Bridge over Rocky River has been delayed because of lack of right of way, A. G. Donovan, division engineer here for the State Highway Department, says.

Scheduled for June 27, the opening of bids has been postponed until Sept. 11—a date which Donovan hopes will stand up.

"We're trying to punch the right-of-way cases through court as fast as we can," Donovan said yesterday of the latest delay for the \$7-million project.

WILLOW FREEWAY bridge bid opening has been postponed from June 27. It involves the proposed span across Kingsbury Run, a \$5-million job.

Donovan said he was fearful the Kingsbury Run Bridge bids might be delayed until next year—with right of way the problem.

Three important industrial parcels are to be acquired and a number of small properties, Donovan said.

One of the industrial parcels will have to be reappraised, he explained, because of a new federal requirement on the proximity of buildings to a highway bridge.

HELD UP ALSO is opening of a section of Interstate 90 (the Cleveland-Conneaut Freeway) from Ohio 306 to Ohio 91 in Lake County. It will be delayed about a month because of unfavorable weather and slow progress, according to Donovan.

The section had been scheduled to open July 4.

Donovan said he had practically given up hoping that the Outer Belt East could be opened this year as far south as Chagrin Boulevard (U.S. 422) in Beachwood.

This delay is stemming from litigation by the village of Gates Mills and a number of residents over construction of a sewer which is part of the freeway interchanges at Mayfield Road (U.S. 322) in Mayfield Heights.

Bus Crashes N. J. Turnpike Police; 3 Die

SECAUCUS, N.J.—Three state troopers were killed yesterday when their police car was crushed by a bus on the New Jersey turnpike.

A spokesman for state police said the troopers were pinned in the wreckage of the car.

The dead were identified as Milan Simcak, 36, Paramus; Joseph De Friano, 25, Lyndhurst; and Arthur J. Abagnale Jr., 26, Cliffside.

The spokesman said the troopers had stopped to aid the driver of a dump truck that was parked on the right shoulder of the superhighway.

They managed to get the truck started, returned to their car and were beginning to drive away when the bus rounded a curve and smashed into the police car.

Ohio Farms Get \$108 Million Aid

U.S. Glad at Laotian Settlement

By JOHN P. LEACACOS Plain Dealer Bureau

WASHINGTON — The U.S. government, from the President on down, gave a big sigh of relief yesterday that the first major crisis that struck the Kennedy administration a year and a half ago was apparently on the way to solution with the announcement of a coalition government in Laos.

Assistant Secretary of State Averill Harriman was preparing to return to Geneva where the Indochina conference on the neutrality of Laos would at last receive a delegation representing the new government of national union formed by Prince Souvanna Phouma, the neutralist leader.

ADMINISTRATION sources nevertheless kept their fingers crossed that the long-hoped-for conclusion of the "mushy" Laotian crisis would now fall into permanent solution despite the several possible obstacles that might arise, until all factions lay down their arms and new elections are held.

Authoritative sources said that U.S. aid to the royal Laotian government would be continued on an "interim basis" until the new government took office, at which time new negotiations would be entered into.

The legal steps required in Laos to establish the new coalition regime will continue until next Monday, when Souvanna Phouma is slated to present his new cabinet to King Savang Vathana.

The United States was also expected to resume payment of the monthly \$3 million budgetary aid, which was suspended last February because of the recalcitrant attitude of the Boun Oum government toward resuming negotiations for the coalition solution.

THREE PRINCIPAL catches anticipated in the early life of the new coalition are these:

- Allowing each faction to

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Perry Tops Bosox, 10-0

Willie Kirkland and Jim Perry were too much for the Red Sox in Boston yesterday as they led the Cleveland Indians to a 10-0 triumph.

Kirkland drove in five of the runs with a three-run homer and two-run double. Perry scattered seven Boston hits for his fifth victory as against three defeats. Bubba Phillips also homered for the Tribe, a solo blast.

Details on sports pages.

Train Hits School Bus, 43 Killed

BUENOS AIRES (AP) — A commuter train hurtled into a shantytown school bus jammed with more than 100 children at a fog-shrouded crossing yesterday, splintering the rickety vehicle and dragging the pieces up the track.

Officials said 43 persons, most of them children, were killed and 83 injured, many gravely.

Some of the children died when plasma and blood transfusion supplies ran out at the hospitals.

THE ATTENDANT at the crossing was arrested. Police quoted him as saying he thought the track was clear. The shantytown area of Buenos Aires is in a marshy region where fog is thick in the mornings.

Police said the attendant told them he lifted the wooden black-and-yellow-striped barriers to let a truck through and he allowed the bus to follow. The train engine hit the antiquated bus squarely in the middle, scattering bodies, seats and books 30 feet up the track.

THE BUS HAD JUST stopped to pick them up for delivery to a school about 15 blocks away, police said. The children were under 10 years of age.

Payments From U.S. Average Tenth of Income

By ROBERT J. DRAKE

Ohio farmers are receiving 10% of their gross income this year as federal benefits distributed through the alphabetical agency spotlighted by the Billie Sol Estes case.

This is the ASC (for Agricultural Stabilization and Conservation Service), the arm of the U.S. Department of Agriculture that administers complex and costly programs at the farm level. The ASC's business with Estes was in cotton allotments.

ASC offices in 87 Ohio counties—only Cuyahoga has none—are passing out more than \$108 million in direct payments and crop loans for the fiscal year ending this month.

The county offices are operating this year on a budget of \$5,595,478. They employ 393 full-time staffers, plus seasonal field help. They are supervised by a state office in Columbus employing 54 on a budget of \$537,000.

THESE FIGURES were obtained yesterday from J. E. Bradfute, administrative head of the state office, and Dwight Wise, Fremont farmer and chairman of the state committee.

Even before the Estes scandal, the ASC was under sporadic fire in Congress and elsewhere as a bushbeater for political farm programs.

At a spring meeting in Washington, state committee men were advised by the highest authority, President Kennedy, to call on their congressmen in reference to pending farm legislation.

More recently, President Charles B. Shuman of the American Farm Bureau Federation leveled charges of corruption against the ASC in general as the agency of "huge economic power wielded by government."

"THIS AGENCY," Shuman said, "directs the disbursement of payments, sub-

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Court-Appointed

Lawyers Ask \$17,200 for Alabise Defense

By MARC D. GLEISSER

Common Pleas Judge William J. McDermott yesterday received what is believed to be one of the largest bills for legal fees ever presented by court-appointed lawyers.

The lawyers, Morris Morgenstern and John J. Kane Jr., asked \$17,200 for defending Phillip J. Alabise, who was given four life sentences in the murder of his wife and three daughters.

Morgenstern and Kane were appointed defense attorneys by Common Pleas Judge John V. Corrigan after Alabise said he had no money to pay for a lawyer.

The Legal Aid Society's public defender office is available for such assignments, but judges have indicated preference for private attorneys. The money comes from tax funds.

THE HIGHEST AMOUNT previously paid out of public funds for first-degree murder trials has been \$3,500.

"These lawyers did a lot of investigative work and spent long hours conferring with doctors, which is far beyond the normal in such a trial," Judge McDermott said.

However, the judge emphasized: "These men are not going to get anything like the amount they are asking. I have never heard of a bill this high."

He noted that the trial had taken 12 days. Each lawyer had asked \$300 for each day in court.

THE LAWYERS' ITEMIZED bills also showed more than 200 hours of work each

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Council Sets Aug. 14 for Vote on Tax Hike

By SANFORD WATZMAN

City Council decreed last night a special election in Cleveland on Aug. 14 to determine the real estate tax rate.

The question before the voters will be whether to authorize 14.45 mills—a rate which would include a 1.9-mill increase

—or to allow the assessment to slip back to 8.35 mills—an amount conceded to be inadequate for operating the city government.

Although the electorate rejected the tax increase at the May primary, all but three of the 31 councilmen present agreed with Mayor Anthony J. Celebrezze that the request should be made a second time.

THE THREE WERE John A. Fakult, D-32, Anthony Pecyk, D-28, and Ralph J. Perk, R-13. John W. Kellogg, R-18, and Thomas F. McCafferty, R-8, were absent. Sam Brooks, R-5, switched after voting against the proposition prior to the primary.

James W. Dempsey, D-6, asserted the administration had

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Lose Money or Other Valuables? Phone Plain Dealer

LOST AND FOUND

any time until midnight for tomorrow morning's lost and found column

MAIN 1-4500 or 621-4500 CHARGE IT!

Today's News at a Glance

Tuesday, June 12, 1962

Greater Cleveland

- Delays hit timetable for roads. Page 1

- Some CTS rides downtown from Southwest Side to be slower. Page 2

- New Red Cross chief cites major goals. Page 4

- Oberlin confers honorary degree to couple who were graduated in 1890s. Page 5

- Woman graduate in dentistry among 765 candidates for degrees in WRU ceremonies tomorrow. Page 8

- Von Schuschnigg tells JCU seniors Common Market will ease frictions. Page 17

- Sims boy, on trial for murder, tells of slum upbringing. Page 18

- Plain Dealer carrier's heroism ruins his shoes. Page 35

General

- Forty-one killed as train hits school bus. Page 1

- Ya-Ya girls in England shorten skirts. Page 5

- Executive shot down in Manhattan as he keeps date with secretary. Page 7

Ohio

- Lake Erie College honors retired teacher, Miss Lottie E. Munn, at commencement. Page 7

International

- Greatest U.S. nuclear test to blank radio in Pacific. Page 1

- Viet Cong guerrillas report GI "buys" his release. Page 7

- Feuding princes of Laos finally agree on coalition rule. Page 10

Washington

- Supreme Court rejects Freeman's appeal, that watered hams be labeled "imitation." Page 6

- Senate to pass military bill over McNamara's objections. Page 12

- Main role in communications satellite program is taken away from Army and given to Air Force. Page 20

Business and Finance

- Savings and loan official here strongly denies any relaxation in fight against withholding tax on interest and

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