

Sen. Neuberger Proposes Government Turn Back 5 Per Cent Of Tax To States

WASHINGTON — Sen. Neuberger (D-Ore.) proposed legislation this week to return a flat 5 per cent of federal income tax collections to the states so they may assume "major programs of social responsibility."

He said he advanced the idea as a test of whether President Eisenhower "really wants the states to develop individually new programs to meet important governmental responsibilities, or whether he merely wants these responsibilities abandoned by the federal government."

In a speech Monday to the Governors Conference at Williamsburg, Va., Eisenhower suggested that an effort be made to shift to the states some of the functions and fields of taxation now handled by Washington.

"It is characteristic of President Eisenhower to utter collections of high-sounding generalities which have little precise meaning or content when analyzed," Neuberger said in a speech prepared for the Senate.

He added that the Eisenhower administration did not want to shift to the states highway and airport construction programs "which hold great financial importance for business, industry and agriculture."

Actually, Neuberger said, the administration would like to shift to the states "old age assistance, aid to dependent children, health programs, school lunches, funds for hospital construction," public housing and other programs involving "human welfare and social needs."

"Tax reduction, not concern for the structure of our federal system, is the driving impetus behind these repeated attacks on federal responsibilities," Neuberger said.

"The same groups who always applaud loudest any move to give up or reduce a federal program also fight hardest against state appropriations and taxes for carrying out the same program by state action."

Nixon Warns Cutting Budget Cuts Security

ATLANTIC CITY, N.J. — Vice President Nixon said this week "anyone who would make substantial cuts" in the administration's defense budget "is taking a risk with America's security."

Nixon linked his remarks with a warning that America should stay strong while seeking an enforceable disarmament agreement.

"The road to war is paved with agreements based solely on mutual trust," he said in a speech prepared for the 42nd annual Kiwanis International convention here.

Kuykendall Strikes Back At Critics; Defends His Record As FPC Chairman

WASHINGTON — Jerome K. Kuykendall struck back Friday at critics of his four-year record as chairman of the Federal Power Commission.

Specifically, the former Washington State man denied charges that he had deceived a congressional committee in the Dixon-Yates case and is biased in favor of private utilities and against consumers.

The accusations had been made by witnesses, including members of Congress and public power groups, appearing before the Senate Commerce Committee to oppose Senate confirmation of President Eisenhower's renomination of Kuykendall for a new five-year term on the Power Commission.

Testifying in his own defense, Kuykendall told the committee in a 75-page written statement that his accusers quoted incomplete excerpts of hearing records and ignored court decisions affirming and making mandatory certain commission policies and interpretations of the law.

As to the charge that he deceived the Congressional Joint

Atomic Energy Committee in asserting in 1954 that the Dixon-Yates contract in the TVA area had not been investigated by commission attorneys, Kuykendall said his accusers "deliberately ignore" a corrective statement he made during the same hearing when he remembered that two lawyers had written memoranda about an intermediate draft of the contract.

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"I made an effort to prepare a bill containing even more consumer protection than did the Harris-Fulbright bill," he said.

Kuykendall denied he deceived the House Small Business Committee in 1955 by not disclosing that a commission decision in the Hells Canyon case had been reached. The commission's opinion and order had not yet been issued at the time, and Kuykendall said the charge, in essence, "is that I refused to leak" what the commission was going to do.

Kuykendall defended as "proper" the commission action in passing on the Idaho Power Co. application for three Snake River dams without consideration as to whether the company might receive the approval of another agency for an accelerated tax write-off.

Concerning complaints that the commission has granted long-term licenses to private companies for power projects, Kuykendall said it has only "followed the policy and precedents" set during prior Democratic administrations.

Kuykendall said there is no evidence to support the charge that he is not in sympathy with the natural gas act and is not enforcing it.

He said that in the three years since the Supreme Court ruled in the Phillips Petroleum Co. case that natural gas producers come under FPC regulation, the commission staff has processed and investigated numerous rate applications and 43 hearings have been held.

He said the job in the independent producer field has involved 345 man-years of work and caused a backlog that will take at least three years to overcome.

"The principal reason I accepted renomination as a member of the Federal Power Commission and am seeking the approval of this committee and confirmation of the Senate is that I hope to play a part in getting the commission abreast of its work," he said.

Couple Heads Southward With Horses And Mule

PENDLETON — Astride two horses and leading a mule burdened with supplies, Ken and Jack Hendren rode out of Pendleton on Highway 395 Friday, headed south for California on their way to Beaumont, Texas.

For Jack, 24, the trip is all new. But for Ken, 35, it is the road back.

The brothers said they planned to ride south through Klamath Falls to Newberry, Calif., and spend the winter there with another brother, Ben. They said they probably would leave early next spring on the next leg to Beaumont.

Ken, discharged from the Army in 1945, has been working on cattle ranches in the Southwest. He said he had planned the horse trip to Oregon since leaving the Army.

Jack has been employed as a packer for the Forest Service in Idaho.

Their arrival here recalled a similar experience by a Michigan couple, Joan and Kenneth King. The Kings, also on horseback, rode from Michigan to Pendleton between May and October last year.

Foreign Minister Denies Nagy In Hungarian Jail

BUDAPEST — A foreign Ministry official this week denied that former Premier Imre Nagy, driven from power during last fall's uprising, is in a Hungarian prison here.

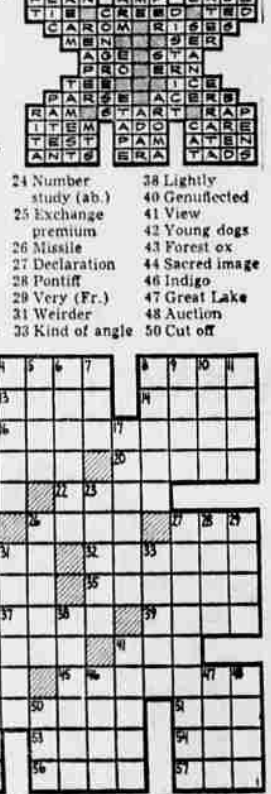
"Nagy is still in Romania and will be there for quite a long time," the official said. He also denied that a trial against Nagy is being prepared.

Sources in Warsaw said Tuesday that Nagy was in Budapest's Foutca jail, which was notorious as a political prison during Stalinist times.

Mathematical Maze

- ACROSS
- 1 Combine numbers
 - 4 Function of trigonometry
 - 8 Distinct part
 - 12 Prosecute
 - 13 One-spot
 - 14 Carbonated beverage
 - 15 Favorite
 - 16 Agreement of tenure
 - 18 Civil War general
 - 20 Heredity units
 - 21 Free
 - 22 Pitcher
 - 24 Girl's nickname
 - 26 Metric measure
 - 27 Support (ab.)
 - 30 Spyer
 - 32 Fixed part
 - 34 Fuel
 - 35 Get away
 - 36 Garden tool
 - 37 Below
 - 39 Shoshonean Indians
 - 40 New Zealand bird
 - 41 Sainte (ab.)
 - 42 Political writer
 - 43 Flower clusters
 - 49 Emphasize
 - 51 Age
 - 52 Accumulation of water
 - 53 Man's name
 - 54 Nothing
 - 55 Seasoning
- DOWN
- 1 Vipers
 - 2 Song for two
 - 3 Decide
 - 4 Dinner course
 - 5 Refrigerator
 - 6 Tidier
 - 7 Worm
 - 8 Escort
 - 9 Midway
 - 10 Unemployed
 - 11 Small children
 - 17 Gases out
 - 19 Exercise
 - 23 German river
 - 25 Exchange premium
 - 26 Missile
 - 27 Declaration
 - 28 Pontiff
 - 29 Very (Fr.)
 - 31 Weirder
 - 33 Kind of angle
 - 38 Lightly study (ab.)
 - 39 Exchange
 - 40 View
 - 41 Young dogs
 - 42 Forest as sacred image
 - 43 Indigo
 - 44 Great Lake
 - 45 Auction
 - 50 Cut off

Answer to Previous Puzzle



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Adm. Burke Sees Danger In Huge Red Buildup

ROME — Adm. Arleigh Burke, chief of U. S. naval operations, declared Friday that Russia had built the world's second largest Navy with the aim of preventing western use of European and Asian waters.

"I don't think it (Russia) could do that now," said Burke. "Right now we (the West) could defeat any attempt to deny us use of Eurasian waters. But it's impossible to predict what the future situation will be."

Burke made the comments at a press conference. He is spending two days in Rome on a visit to Italy, Greece and Turkey.

Two days ago aboard the cruiser Salem, flagship of the U. S. 6th Fleet, the naval chief told newsmen the Soviet Union's navy buildup represented a "very great threat" to the non-Communist world.

Junior Chamber Elects To Conclude Session

MILWAUKEE — The United States Junior Chamber of Commerce this week concluded its 37th annual convention in a flurry of action that included the election of officers and presentation of awards to chapters and individuals.

Charles E. Shearer, 34, an attorney from Shelbyville, Ind., was named president following a two-hour campaign battle before 6,000 young men and women in the Milwaukee arena.

Shearer failed by three votes to win a majority on the first ballot when he collected 1,539 votes. His opponents, William R. Risher, Bamberg, S.C., and Larry Woodworth of Kent, Wash., received 812 and 752 respectively.

The election went to Shearer by 17 votes on the second ballot as the Minnesota delegation split its votes.

The Harold A. Marks award, the highest honor presented to a local chapter, went to Phoenix, Ariz., for its program of community betterment.

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