

Oregon Statesman
No Fear Stays Us. No Fear Shall Awe.
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Charles A. Sprague, Editor & Publisher

Top News of 1956

This is the time of year for annual selections: Grassman of the year, All American football team, best movies and movie stars, etc.

The eight following in order to complete the roster of ten were: Re-election of President Eisenhower, sinking of the Andrea Doria, collision of two airliners over the Grand Canyon, death of six marines in a night disciplinary march and ensuing trial of Sgt. McKoon, violence in the South over desegregation, wedding of Prince Rainier and Grace Kelly, Don Larsen's perfect pitching game in the World Series, and the Soviet downgrading of Stalin.

Other groups of news hands might make a different choice, or rearrange the order of prominence. (We would move up the story on degrading Stalin). Oregon would certainly give a top spot to the sweep of Democrats into office. We hope that 1957 will start off with another top story: victory of Oregon State over Iowa in the Rose Bowl.

Is Senate a "Continuing Body?"

Senators who seek to modify Senate rules to permit closure of debate by a majority vote may be hoisted on the petard of precedent. The question arises on whether new rules of the new Senate may be adopted by a majority vote, or whether a two-thirds vote is needed to effect a change in the rules.

Senator Humphrey of Minnesota who is one of the group favoring the new rule which would permit halting of filibusters against civil rights legislation takes the position the Senate is not a continuing body, but a new organization which can adopt its rules by majority vote. However, numerous precedents may be pointed to in which the continuity of the Senate was the accepted view.

Vice President Nixon is said to have been studying the rules and precedents because he will probably have to make a ruling when the matter comes up at the opening session of the Senate in the 85th Congress. It seems safe to predict that he will follow the precedents and rule that the Senate is a continuing body, that its present rules will hold unaltered by a two-thirds vote.

Issues Facing Congress

Congress May Be First in Four Years To Avoid Major Battle on Farm Policy

By Congressional Quarterly
WASHINGTON, Dec. 16 (CQ)—The 85th session of Congress may be the first in four years to escape a full-scale battle on farm policy.

No permanent peace is in sight, but there is every prospect of a one-year cease-fire in the Congressional Democrats' campaign against the Eisenhower-Benson flexible price support program.

1. The November election was a landmark as far as farm policy is concerned. There probably are enough votes in the new Congress to pass a 50 percent support bill. But the President would veto it, as he did this year, and there are not enough votes to override a veto.

2. Fast price increases with price support questions has blocked full consideration of other ways of boosting farm income. These alternative programs deserve closer attention in 1957.

3. The farm situation, while satisfactory to us, is not as bright as it was a year ago. Prices have risen, but not as fast as expected. Income (calculated by net farm income) is up 4 percent, but the government's surplus has begun to shrink. The long-run position of agriculture is still shaky, but there is no clamor for a "total" program to save farming from imminent disaster.

4. Despite all this, there may be an effort to start a right supports bill through the House. Chairman of the House Agriculture Committee, Carl Albert, says he is not sure of the President's opposition. The President's opposition makes any effort to pass such a bill "a rather foolish and wasteful thing," Cooley said.

rey, Morse, Douglas, Neuberger, joined by Republicans Case, Ives and Potter—will make the fight however, out of their zeal to obtain legislation for civil rights.

Steel Merger Attacked

After two years of shadow boxing with the department of justice, Bethlehem Steel has decided to go ahead with its merger with Youngstown Steel. Promptly the justice department announced it would challenge the deal in court, claiming it is a violation of the anti-trust laws.

Justice has also moved in on other consolidations, especially in the container industry, on the same grounds. The court proceedings will grind along for months, and the outcome is uncertain, for each case will be decided on its own array of facts.

This proceeding is different from the one launched by the federal trade commission over the merger of International Paper and Long-Bell. The FTC is attacking the consolidation as unlawful, but the final decision there will rest with the courts.

The anti-trust laws give area protection against monopoly, but as tools they are slow and unwieldy. Many attempts have been made to reexamine the Sherman act in the light of modern industrial conditions, but not many changes have been made in the law's text. What it really means is still left to the courts to decide in particular cases.

The Yearning for Knowledge

Surveys of responses to educational TV programs and recent statistics showing more than 700,000 persons enrolled in correspondence schools—plus the ever-increasing popularity of our own adult education programs—are proof enough that the eternal quest for knowledge is not dead.

Science courses, such as radio-TV and electronics, are in the most demand from correspondence schools, but religious study is a good second. Recourse to home enlightenment is to be encouraged at all levels, both for those unable to avail themselves of formal education and those who seek advancement beyond its normal confines in the later years of life.

"For amusement only" is by no means a reliable sign on a pinball machine. It may be for amusement only when police officers are around. When they are out of sight, then they may function as "iron bandits" without even disturbing the sign. Polk county officers raided two establishments and nabbed machines allegedly used for payoff games, which makes them subject to destruction. While it is hard to police these devices, these crackdowns with assessment of fines and confiscation of machines help to keep down illegal operations. The best remedy, though, is the one Salem and Portland have adopted: to bar the devices completely. On a re-vote last month Portland again turned down the pleas of the pinball contingent who have found them highly profitable—at the cost of the weak-willed.

Opening of 17th street north to connect with Portland road has long been favored by city planners. It was proposed by the postwar Long Range Planning Commission, and city authorities have kept this idea alive. The planning commission will ask for legislation to permit a right-of-way through the state fairgrounds. This extension will give a more direct route north and south for the area east of the railroad. At present its traffic must use the arterial streets, North Capitol and North Summer, or else use north-south streets west of the fairgrounds. Such an extension would require attention for handling state fair traffic, but that is a problem only for a few days in the year. This north-south arterial would be useful every day of the year.

GRIN AND BEAR IT By Lichty



... And this life like doll is endorsed by the parents' association, approved by housekeeping experts and pronounced normal by top child psychologists!

AEC Plans to Aid Private Atom Power Development

By A. ROBERT SMITH
Statesman Correspondent
WASHINGTON — The Atomic Energy Commission is assigned to investing more federal funds in development of large experimental atomic power plants in hopes of staving off demands in Congress for a program of federal atomic plants.

AEC is acting within the context of the Eisenhower administration's policy of trying to encourage privately-owned and public utilities to invest their money — along with some federal assistance — into new atomic plants. But up to now this program has been slow getting off the ground.

Meanwhile, in Congress last summer Democratic critics of this program led by Sens. Albert Gore (Tenn.) and Henry M. Jackson (Wash.) tried to put through a bill under which the government would do the job itself by building a string of atomic power reactors, one of them at the Hanford Works at Richland, Wash. The administration was successful in stopping this bill.

But since then, with Democrats retaining control of Congress as a result of the election, the administration has decided to liberalize its approach by offering greater financial inducement to private firms to build new power plants. The amount is still a secret, but speculation is that it will be well over the \$30 million level in this year's budget for power reactors.

AEC plans to send out a new invitation to private companies in January just about the time Congress convenes — and the response to that invitation from private industry may well determine whether the job will be done privately or not.

The price lag on the bill in Congress last summer was \$400 million. The administration is opposed ideologically, as well as a budget-wise, to this approach. If it can get private industry to move more rapidly into atomic development, it hopes to get needed experimental reactors built for less cost to the government.

One factor that caused difficulty is the feeling among private firms that their risk should be insured by the government, inasmuch as many of the various types of reactors have never been built on a large scale — and any unexpected defects might cause substantial hazards to workers and property involved. Private insurance isn't adequate, they have claimed.

Congress has been asked to provide a government insurance scheme to ease this burden, but this bill failed to pass last session. The administration is worried that Democrats may try to fashion a bargain package including the insurance proposal along with a program of federal atomic power plants. This would have the effect of stimulating private interest on the one hand and cooling it off on the other.

That is, private firms reportedly have been reluctant to jump into the atomic field at this early stage if there is some chance the government itself, under directions from Congress, might start building power reactors.

So far, preliminary plans have been worked out for 16 atomic power plants with an estimated cost of \$1,000,000,000.

Better English

By D. C. Williams
1. What is wrong with this sentence? "It was good of you to have invited me to the party."

2. What is the correct pronunciation of "sacrifice"?
3. Which one of these words is misspelled? Leisure, deity, chief, wield.
Answers
1. Say, "It was good of you to INVITE me to the party." 2. The final "i" is pronounced as in "ice," preferred. 3. Chief.

IT SEEMS TO ME

(Continued from Page 1.)

depend on the volume of spending. Comparison with California would be different because California combines both a sales tax and an income tax with relatively high exemptions.

In spite of the difficulties of making these comparisons the interim legislative tax committee has had such a study prepared for the three states, by its staff headed by Thure A. Lindstrom Jr., its executive director, who previously was a statistical analyst for the tax commission. Lindstrom has used the data compiled by the census bureau and by the commission on local governmental relations and has made an accurate comparison as is possible with available information. The committee has published the ensuing report, with tables of figures and analyses, and boiled down the evidence with a 20-point summary. The significant findings are these:

The Oregon tax structure favors lower income families. Under the Washington system taxes are higher than in the other two states for a family with income of under \$5,000. In the Oregon-California comparison the tax burden is about the same for family incomes up to \$9,000, but above that the Oregon weight is three.

All three Pacific Coast states impose heavier taxes, measured in per cent of personal income, than the national average. That percentage is about uniform for the three states, but because Oregon's per capita income is the lowest its per capita tax burden is the lowest.

The burden of the tax income is heavier in Oregon than California, on the basis of the 1953 statistics used in the study. The disparity is increased by the 1955 surtax of 45 per cent. Taxpayers in high brackets in Oregon and California pay more than similarly situated Washingtonians do in sales taxes.

Corporations pay about the same rates of tax on net incomes in Oregon and California. The Washington business and occupation tax bears more heavily on firms with low profit margins and is lighter on high-profit corporations, in comparison with taxes paid on net incomes by corporations in the other two states.

Now what does all this add up to? Simply that those in lower income brackets fare better tax-wise in Oregon than in the other states. None of the states is a tax haven for corporations. Any loss of industry to Washington because of taxes may be due to personal decision of managers who seek to escape payment of a state income tax. It must be remembered however that state and local taxes are deductible on federal tax returns, so that the penalty of a higher state tax is softened by the lighter federal income tax.

The study really just confirms what was pretty well understood by those familiar with the tax structures of the several states. Taxes are high in all the coast states because the people demand a high standard of government, and lots of it. They seem to hurt more in Oregon because our wealth is less than that of our coast neighbors.

What we Oregonians need to do is to devote less attention to the shifting of tax burdens and ferreting out more sources of revenue and more attention to holding down the costs of state and local government.

Time Flies

FROM STATESMAN FILES

10 Years Ago

Dec. 17, 1946
State Sen. Merle R. Chesman and Thomas F. Sander of Astoria will meet with President Truman at the White House to request the appointment of an assistant secretary of State for fisheries.

Cancellations in the Salem postoffice totalled 118,000 and were well past 70,000 and on the way to a new record for the holiday season.

25 Years Ago

Dec. 17, 1921
The State Board of Control, at a special meeting, granted Dr. R. E. Lee Steiner, superintendent of the Oregon state hospital, a three weeks leave of absence. The Steiners will spend the time in California.

Something new and different. The Spa "Ensemble" fancy pack chocolates. This new work is done by Miss Maxine Myers.

40 Years Ago

Dec. 17, 1916
David Watson Craig, a former legislator, pioneer newspaper man of the Willamette valley, a close friend of president Abraham Lincoln, and known as the father of the Republican party in Oregon, died at the age of 87 years.

Building in West Leads Last Year

Dollar volume of building permits in Oregon and four other western states for November continued to hold a small lead over last year, according to an announcement from the Seattle office of Pacific Architect and Builder magazine. Salem total dropped slightly.

The November volume, \$187,550,265, is three per cent below the previous month's total of \$194,182,428. The figure for November, 1955 stood at \$171,704,750.

Oregon ranked third in the standings with its November '55 total of \$6,953,009 increased to \$8,650,777 in November '56. Salem dropped from \$245,459 in November 1955 to \$230,968 the past November.

California rose from \$143,481,176 to \$156,334,325; Washington from \$17,892,356 to \$19,083,506; Montana from \$1,325,546 to \$1,661,717, and Idaho from \$2,132,653 to \$2,419,860.

Oregon's leader was Portland with \$541,585 in November '56 compared to \$2,401,180 in November '55.

A noticeable increase was made in Eugene during November '56 with \$368,015 reported compared to \$227,714 in November '55.

Corvallis reported \$332,000 last month and \$219,520 for November '55 to \$296,745 in November '56.

Trek for Yule Tree Leads To Trouble

LEBANON, Dec. 16—Two Lebanon brothers were safely back home Sunday after being missing all night on a Christmas hunting trip in wild country some 14 miles northeast of here. They were cold and hungry but otherwise suffered no ill effects.

The misadventure for Donald and Jerry McBurney, ages 16 and 13 respectively and sons of Mr. and Mrs. Albert McBurney, could be laid to a dead-end road and a tired car. The youths spent a "cold night" in the vehicle. The pair came home minus a tree.

After leaving home about 2 p.m. Saturday, the youths drove to Berlin eight miles east of Lebanon and then struck out into rough country north of the small community. They said they were about six miles north of Berlin when they hit the dead-end road and the car became stuck in mud.

Because of darkness, the brothers decided to spend the night in the car. Meanwhile their anxious folks notified authorities and the father and a friend, Don Steele, spent most of the night searching the area.

The father hired a plane early Sunday morning and spotted his sons' car. But by that time the youths had hiked to Berlin and phoned home.

Man Facing Check Count

A Salem man was in Marion County jail Sunday after he was arrested by the FBI on a federal charge of passing fraudulent checks.

Being held for the United States Marshal for transfer to Portland is Maurice Gene Schultz, 1980 Turner Rd. He was arrested late Saturday night.

According to the FBI, Schultz passed a fraudulent check in one state on a check from a bank in another state making it a federal offense.



The story so far: Steve and Nancy are touring Space City, the home of the Space Toys who do not want to let children play with them.

Chapter 5
Martia invited Steve and Nancy into her apartment which was very large for her but quite small for the two children.

Nancy could not help but admiring the space girl's beautiful clothes. Her jacket seemed to be made of pure gold, although it glowed like the walls. And the long flowing skirt she wore was of a soft green shade that set Nancy to thinking where she had seen it before.

"I see you are admiring my jacket," Martia said to Nancy after they had talked for a while. "It comes from the captured light rays of the sun. And my skirt is from the green of an ocean wave just before it is about to break on the shore."

"That is where I have seen that color before," Nancy said.
No Kitchens and No Food
Steve had been lost in his own thoughts for a long time. Suddenly he said, "I know what is so different about these buildings. You have no kitchens."

"No, we have no need for food," Pipsqueak laughed.
"Well, I do," Steve replied. "As a matter of fact, I'm hungry right now. I think we had better get getting back to Santa's house where I can get something to eat."

"Just one thing before we go," Nancy said. "Pipsqueak, you have been very nice to show us through your beautiful city, but we would like to have a talk with you about what it is like to be a toy. Could you come and talk with us at Santa's office after we have eaten?"

Plan Talk With Pipsqueak
"I suppose I could," Pipsqueak replied, "Although I'm sure I

Death Claims Jefferson Man

JEFFERSON, Dec. 16—Cleave Hampton, 44, died today at his home Rt. 1 Box 173. Death is believed to have been caused by a heart condition.

Hampton, a life long resident of Jefferson, was born here Jan. 27, 1912. He at one time was a farmer and for the last 12 years worked for the Marion-Linn Coop in Jefferson.

He married the former Doris Roland in 1940 in Jefferson. Surviving are his widow and two daughters, Judy and Karel, both of Jefferson; son, John, Jefferson; sister, Mrs. Melle Foster, Albany, and brother, Clifford Hampton, Seio.

Services will be announced later by the Howell-Edwards Mortuary, Salem.

Communicable Diseases Listed

Fourteen cases of communicable diseases were reported in Marion County last week by the county health department.

All were institutional cases and consisted of one resident patient with malaria, three resident patients with tuberculosis and 10 non-resident cases with tuberculosis.

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