

IT SEEMS TO ME

By Charles F. Sprague

The dawn of the New Year finds Washington confused, Wall Street depressed and Main Street bewildered.

The prophet for 1958 is inclined to hedge his predictions with oracular double talk because the omens are not clear.

World Affairs: There will be no world war, but the tensions of the cold war will persist.

The consequence will be an unbalanced budget, no cut in federal taxes, the greater absorption of brains, of capital, of labor in armament.

(Continued on Editorial Page 4.)

Miss 1958 Out of This World



BATON ROUGE, La., Dec. 31—Ten-month-old Cynthia Aucoin of Baton Rouge is all dressed up for her out-of-this-world role as little Miss 1958.

Record Budget Forecast

By FRANCES LEWINE

GETTYSBURG, Pa., Dec. 31 (AP)—President Eisenhower arrived at "tentative final" figures for the new federal budget today.

The spending program for fiscal 1959 is not expected to call for any tax increases, but neither will there be any proposals for tax reductions when the budget message goes to Congress Jan. 12.

Defense spending—to meet Russia's space age challenge—is among the few figures still being ironed out.

He added that the President not only expects to have a balanced budget but one that will possibly leave "a slight surplus" at the end of the fiscal year in June 1959.

The budget, reported to run about 74 billion dollars, probably will have strong emphasis on military preparedness.

In a page by page rundown on the budget figures, the President spent more than two hours today in a front porch session at his Gettysburg farm with two top advisers.

Gov. Robert D. Holmes announced he would again seek the Democratic nomination several months ago.

December's Rainfall High For Old Year

The wettest month of 1957 ended with a cold clear day but the first forecast of the New Year calls for clouds and rain tonight.

The old year went out with a cold 24 degree minimum Tuesday. Today the temperature range is expected to be from 37 to 50.

Frost lingered in the Salem area until 11 a.m. Tuesday. Icy spots were reported on most Oregon highways.

March Rain Ranked Second

December's 8.87 inches of rain ranked as the old year's month with high March running a close second at 8.16, figures compiled by the Salem Weather Bureau showed.

Average temperature for the year was 52.3 degrees. This is 3 degrees below normal.

Highest temperature was 95 degrees on Sept. 13. The year's low was 9 degrees on Jan. 27.

Precipitation at the McNary Field station for the year was measured at 39.25 inches, .6 inch below normal.

Snowfall Measured

There were 77 clear days, 69 partly cloudy and 319 cloudy days.

Total measured snowfall during the year fell in January with only a trace in February. The measured amount was 2.4 inches, with more than half of it falling Jan. 20.

Frigid Blast Hits Midwest

A widespread snowstorm and cold wave hit the Midwest Tuesday, giving 1957 a blustery send-off.

The storm left a heavy belt of snow from Kansas and Missouri northeastward to parts of Illinois and southern lower Michigan.

Subzero cold stung parts of Minnesota and the Dakotas and temperatures hovered near the zero mark at midday.

Much colder weather headed for the Southern Plains and the Ohio and Mississippi valleys.

Hat in Ring



Sig Unander, Oregon treasurer, will seek Republican nomination for governor.

Unander In Race for Governor

Sig Unander, Oregon's treasurer since 1953, announced Tuesday he would seek the Republican nomination for governor in the May primary election.

Gov. Robert D. Holmes announced he would again seek the Democratic nomination several months ago.

No one else has announced for the office to date. However, Sec. of State Mark Hatfield reportedly has not counted himself out as a potential gubernatorial candidate on the Republican ticket.

Unander, who received more votes than any other candidate in the 1956 general election, said his decision to run came "after long and careful study."

Since he polled 416,410 votes in the 1956 general election, Unander has been prominently mentioned as a gubernatorial candidate.

The 44-year-old member of a pioneer Oregon family promised to visit every section of the state between now and the May election, and asserted that "issues, not personalities, will be emphasized in my campaign."

Orderly Development

"Basically, my campaign will stress orderly development of our resources and payrolls strengthening of the state board of control and realistic spending of tax dollars," Unander said.

The GOP candidate was executive assistant to Gov. Charles A. Sprague from 1939 through 1941, and was first elected state treasurer in 1952. He was re-elected in 1956.

The Bowl Games

Watching the grid classics on TV today? Complete rosters of the Rose, Cotton, Sugar and Orange Bowl teams are on Page 9 today, as well as times of broadcast.

And Sports Editor Al Lightner is right in the Rose Bowl press box as usual.

Uneasy Peace Tempers Welcome for New Year

Mid-Valley Ushers in Infant '58

By DON SCARBOROUGH

Many mid-Willamette Valley citizens awaited the arrival of '58 last night starting early that the old year might have a proper burial.

By midnight a good number in Salem would have been unaware of the exact moment of transition except for toots from the Southern Pacific yard and the sound of church bells.

At least two times a year everyone is happy and business is good—the last few hours of Dec. 31 and the first few of Jan. 1.

Club and bar owners in Salem said business was booming last night in celebration of the new year.

Salem liquor stores were swamped all afternoon Tuesday, but clerks worked quickly and efficiently to bring customer and his evening's happiness-provoker together before they closed at 6 p.m.

Hardly a public meeting place, dance hall or bar missed the chance to welcome the partying throngs.

Churches balanced off the celebration with prayers and watch-night services. Both Salem Catholic churches will have masses this morning at 6, 7, 8, 9:15 and 10:30 a.m. and 5:15 p.m.

Though this is a traditional wine and song celebration, many observed it quietly at home hoping to escape the danger of venturing upon the highway on New Year's Eve.

Stocks Spurt At Year End

NEW YORK, Dec. 31 (AP)—The stock market rang out the old year today with a fast and furious rally that swept all major categories into higher ground.

Gains of \$1 to \$2 a share peppered the list. Trading hit a slambang pace from the opening gong on. The New York Stock Exchange ticker was eight minutes late at the closing after running behind transactions for the better part of the day.

Whoosh...



Economy Measures Save City \$100,000

Economy moves amounting to a taxpayers' saving of at least \$100,000 topped the list of major Salem City Hall accomplishments during 1957, Mayor Robert F. White declared Tuesday.

Several major public works also featured the year, topped by ground breaking for the \$3,375,000, 17-mile new city water line from the Santiam River to Salem.

Mayor White issued a statement reviewing 1957's highlights in city legislation, administrative work and public construction.

The huge bond issue waterline project also figured in the biggest tax savings brought on by new administrative policy in the year. Proceeds of the bond issue were invested, to mature as money is needed to pay the contractors. Interest on this investment will exceed \$84,000.

First Investment Fund

Mayor White said this is first time city bond proceeds have thus been invested.

Dollar savings, mostly on an annual basis, also resulted from the following other administrative changes listed by the mayor:

Transfer of milk inspection responsibility from city to established State Agriculture Department program, thus eliminating \$8,000 item from city budget.

Combining office staffs and functions of city recorder and city treasurer, saving \$6,500.

Joining with Salem School District in calling for some purchase bids, with saving estimated at \$1,000 in petroleum products alone.

Office Supply Consolidation

Consolidated handling of City Hall office supplies; savings estimated at \$1,000.

Simplified minute records and clerical procedures for council and board meetings, saving \$1,500.

Revised city accounting by consolidating several funds, making solidating several funds.

Mayor White said 1957 was the first year in many when the city did not have to do any temporary borrowing.

The Weather

Today's forecast: Mostly cloudy today and Thursday with rain tonight. High today near 50; low tonight 37.

(Complete report page 2)

Revelry, Reverence Both Noted

By THE ASSOCIATED PRESS

A world made uneasy by Russia's Sputniks shelved its cares long enough today to give 1958 a tumultuous welcome.

Shouts of "Happy New Year" rang out in many tongues as people everywhere greeted 1958 with a curious blend of revelry and reverence.

The Soviet press used the occasion to salute Communist achievements of 1957 and to predict the United States will have to change its tactics.

The United States refused to let the Soviet menace spoil the holiday. Churches across the land held special Watch Night services, and there was much glass-clinking and dancing at public and private parties.

Be Gives Dinner

President Eisenhower welcomed the New Year at a small dinner party at his Gettysburg, Pa., farm.

In New York City, Times Square drew thousands of merry-makers as it has down the years. A total of 606 policemen were on duty there.

In Paris, Premier Felix Gaillard injected a sober note by grimly reminding his nation that

Holiday Road Toll

Sixteen persons had died in traffic across the nation by early this morning in New Year's holiday accidents, according to the Associated Press. The count started at 6 p.m. Tuesday. Five had claimed one life.

No traffic fatalities had been reported in Oregon since the holiday count started.

1958 in France will be a year of austerity if the country is to regain its economic equilibrium.

Japan welcomed the New Year—her greatest holiday—with traditional worship, feasting and reunion.

At Bonn, Germany, Theodor Heuss, president of the West German republic, in a New Year's Eve address urged a return to secret diplomacy and an end to highly publicized international meetings.

Soviet Greetings

Soviet President Klement Voroshilov, Communist party chief Nikita Khrushchev and Premier Nikolai Bulganin extended their best wishes for 1958 to leaders of the East German satellite nation.

In Rio de Janeiro, where it's summer, Brazilians began celebrating New Year's Eve by tossing confetti and paper streamers from office buildings. Offices closed at noon but not before tons of scrap paper showered down from windows. Beaches were crowded with people seeking relief from 100-degree heat. Night clubs were booked solid.

In Havana, Cuba, President Fulgencio Batista extended New Year's greetings to the island's six-million people in a nationwide broadcast.

Even before sunset New Year's Eve, seven bombs exploded in the heart of the Cuban city.

Though most of the bombs exploded in the shopping district, there were no reports of deaths or injury and property damage was only slight.

Woman Hurt In House Fire Near Turner

Statesman News Service

TURNER, Dec. 31—Mrs. Calvin Mann was burned about the right arm and face this afternoon when she dashed through a flaming upstairs bedroom to safety.

Mrs. Mann, her husband and a cousin, Kenneth Williams, were peering the upstairs room when a container of white gas was spilled. The fluid was ignited by a camp stove.

The fire sprang up between the woman and the door. While she drove a half mile to turn in the alarm and seek first aid, her husband battled flames by carrying water in a bucket from a downstairs faucet. A water hose just outside the window was frozen.

Firemen from Turner and Aumsville arrived in time to confine flames to one end of the house. Considerable furniture and all clothing of Alice Blunt, second grader staying with the family, was destroyed.

Mrs. Mann was able to return home after treatment by a Stayton physician.

Subway Tieup Threat Ends

NEW YORK, Dec. 31 (AP)—A threat of a New Year subway and bus strike that would have hit millions of commuters ended today with agreement on higher wages.

Michael J. Quill, president of the Transport Workers Union, and the Transit Authority announced agreement on a two-year pact providing a 32½ cents an hour package wage increase for 32,700 employees of city-owned subways and bus lines.

Council Ousts Teamster Union

PORTLAND, Dec. 31 (AP)—The Oregon State Labor Council today expelled the Teamsters Union from its ranks.

The action came shortly after the Portland Central Labor Council ejected both the Teamsters and Laundry Workers unions.

Farmers Cautious But Optimistic About 1958

By LILLIE L. MADSEN

Most Oregon farmers are cautiously optimistic about the year ahead. At the same time they realize that 1958 will bring its problems with high costs of operation putting the squeeze on profits.

"We'll have to watch our spending from every angle—even down to turning off the extra lights when not in use. The guy that's careful is going to come out all right in 1958," Ben A. Newell, head of the Marion County extension services, predicted Tuesday in summing up the New Year's outlook.

Prices on Oregon farms are expected to average a bit higher throughout the winter, early spring and summer than they did in the corresponding period a year ago.

Marion Thomas, department of agriculture economist at Oregon State College, said Tuesday.

Oregon's cash farm income for 1957 totaled \$416,000,000, according to Thomas. This is a 2 per cent gain in the state over the 1956 cash income. Most of this was in Eastern Oregon where a good wheat production was disposed of—chiefly to foreign markets—at a good price, and a better cattle market, also price-wise, prevailed.

Western Oregon's income was a down, averaging almost an 8 per cent drop from the year previous. Bad grain production, the fall-out in the berry market, low poultry prices, seed crops not too good were listed as causes.

The cash income figure does not take into consideration the farmer's cost of operation which also registered quite a gain and is expected to cancel out most of the increase in income.

Blood Drawing Set Here on Thursday

Salem's monthly blood drawing will be held Thursday, the day after New Year's, chairman William Staley said Tuesday.

It will be held at Salem Armory from noon until 4 p.m. The quota is 150 pints.

Population 173 Million

WASHINGTON, Dec. 31 (AP)—The United States rings in the New Year with an estimated population of nearly 173 million, the Census Bureau said today.

Count Down in Salem...



South Salem High School student Russell Hoskins lights fuse to homemade rocket launched Tuesday at high school football field. Standing (from left) are students Andy Akulaw and Jerry Stafek and Kenneth Wilhelm, young son of Lyle Wilhelm, chemistry teacher in charge. As...

Run for Cover...



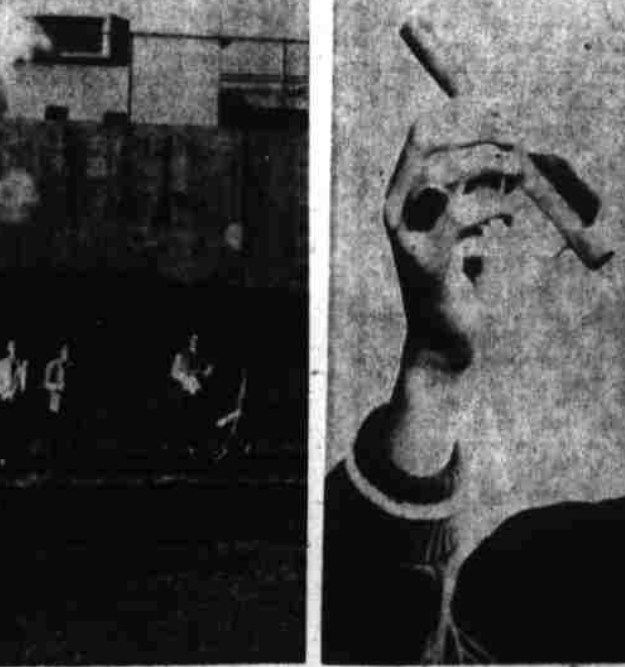
...small 6-inch rocket inside larger 6-foot guiding tube begins to rise students, all in first year chemistry, run for cover. Fuel of zinc and sulphur is considered safe for such experiments. Class had number of launching failures before finding right propellant. Purpose of experiments is to "create class interest in chemistry." Big problem is igniting fuel to blast slender pressed-paper cylinder...

Whoosh...



...into air trailing a cloud of white smoke. The rocket rose 185 feet into the air with a "whooshing" sound. Students track rocket and then calculate the apex of flight by mathematical pattern. Rocket fired by group last week reached only half as high as Tuesday's rocket which...

Proud Rocketeer



...is retrieved by student Russell Hoskins, who supervised the mixing of fuels for the flight. The class hopes to continue launching even bigger rockets to uphold honor of American chemistry students. (Photos by John Erickson, Statesman Staff Photographer.)

Residents See Fiery Object

A bright green glowing object with a fiery tail was seen by several Salem residents falling east of the city about 9:30 p.m. Tuesday.

Weathermen at McNary Field said it may have been a meteor as others have been sighted during periods of clear sky recently.

Those who saw it agreed that it could have been a meteor but the largest they had ever seen.

Reports were received from Frank Test, 180 Luther St., S. Thurman Krater, 3520 Ash St. SE, and the Salem police department.

Test said his group saw the object while driving on Center Street near 17th Street. The Krater party saw it from Dallas Highway. The police department reported it was seen from a patrol car on Fairgrounds Road.

Today's Statesman

Table with 2 columns: Page Sec. and Article Title. Includes Ann Landers, Babson Predicts, Classified, Comes the Dawn, Comics, Crossword, Editorials, Farm Page, Home Panorama, Markets, Obituaries, Radio-TV, Sports, Star Gazer, Valley News, Wirephoto Page.