

Heppner Gazette Times

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Volume 66, Number 41

HAPPY NEW YEAR

Social Security Tax Increases One-Half First of January

Employer, Employee Advised Relative to Extra Withholding

Hugh H. Earle, Collector of Internal Revenue, today reminded employers and employees of the Oregon district that the Federal Insurance Contributions Act provides for an increase in the tax rate under the act to one and one-half percent on employees and one and one-half percent on employers, based on all taxable wages paid on and after January 1, 1950.

Ever since the beginning of the Social Security program, of which these taxes are a part, these rates have been one percent each on employees and employers, and Collector Earle called attention to the change in order to prevent confusion in preparing January payrolls.

This change does not affect the rates of income tax withholding from wages, which are the same as they were in 1949.

Employers were reminded, however, that new regulations will be effective January 1 regarding the depositing and reporting of both the F.I.C.A. taxes and income tax withheld from wages.

Starting with wages paid in January, employers who are liable for more than \$100 of these taxes in one month are required to deposit them in either a Federal Reserve bank or a commercial bank authorized to receive such deposits for transmittal to the Federal Reserve bank.

Deposits are required for taxes resulting from wages paid in the first and second month of each quarter. Each such deposit should be made not later than the 15th day of the next month, but may be made earlier if desired. Taxes for the third month may be deposited or paid with the quarterly return.

Employers will be furnished with blank copies of Treasury Department Receipt Form 450 to use in making deposits. Employers will fill out the receipt as a deposit slip. After the form and remittance are received and checked by the Federal Reserve bank, the deposit receipt will be validated and mailed back to the employer for attachment to his quarterly return.

The year 1950 also will mark the nationwide adoption of a combined form for quarterly reporting by employers of income tax withheld and the employer and employee F.I.C.A. taxes. The new form, Form 941, and detailed instructions will be mailed to employers late in March, in ample time for use in making the return for the first quarter of the year. This return, covering wages paid in January, February and March is due by April 30.

Large Lynx Killed In Kahler Basin

While riding in Kahler Basin looking after cattle one day last week, Dick and Jay Griffith and Van Marter Sr. spotted a band of deer. They stopped to count the animals and noticed a sudden stir among them. Moving in a little closer they discovered what appeared to be a bobcat stalking the deer. The cat was shot and turned out to be a lynx. Van Marter brought the lynx carcass to Heppner and had a picture taken of it. He said it was about the biggest one he had ever seen.

Guests at the Henry Schwarz home over the week-end were Mr. and Mrs. Billy Schwarz and children from The Dalles. Another guest here for a week is E. R. Merritt, who arrived Wednesday from his home in California.

Two Suits Filed As Result of Accident

Two suits were filed at Pendleton last week by Raley, Kilkenny and Raley, Pendleton attorneys for two persons injured in an automobile accident September 18 at the site of the Heppner Lumber company plant on the Heppner-Heppner Junction highway. In one suit, according to the East Oregonian, L. Nichols asked \$911 special damages and \$35,000 general damages of G. N. Peck, claiming permanent injuries, and in the other, S. D. Cox asked \$1,221.50 special damages and \$7,500 general damages of Peck.

Mrs. Floyd Adams Awarded First Prize In Lighting Contest

First prize of \$10 was awarded to Mrs. Floyd N. Adams for her entry in the outdoor Christmas decoration contest sponsored by the Jay Cee-Ettes. Mrs. Adams decorated a fir tree in the yard with multi-colored lights and used evergreen branches and light in an arched effect over the porch and doorway to the house. Conley Lanham received second prize of \$5 for his effectively decorated doorway. Evergreen boughs and lights were entwined around the door and at the top was placed a large plastic Santa Claus face, aglow with light. Third prize of \$2.50 was given to Miss Leta Humphreys whose arrangement of lights and greens over the large windows and porch of her home together with the brilliantly lighted tree in the yard made a beautiful picture.

Residents showed much interest in the contest and other decorations worthy of mention were the girl and boy skier under a flood of light at the Orville Smith home; the gaily decorated gateway to the Dick apartments and the artistic arrangement of lights and evergreen over the fronts of the Henry Aiken and Oscar George residences. One of the most impressive displays was the nativity scene at the St. Patrick's church. This was made of miniature figurines and a small stable and was correct to the most minute detail.

Mr. and Mrs. Ambrose Chapin spent Christmas in Pendleton with their son-in-law and daughter. Mr. and Mrs. Charles Hodge and son, Michael. Mrs. Hodge and Michael returned to Heppner with them Monday evening.

Mr. and Mrs. Herman Parker returned to their home in Pasco Monday evening after spending the week-end here with her parents, Mr. and Mrs. Clive Huston. Mrs. Huston accompanied them home and will stay until after New Year's.

Misses Katherine Bisbee and Esther Scott of Oregon City are spending this week here with Miss Bisbee's parents, Mr. and Mrs. L. E. Bisbee.

Mrs. Mary Welch of Lexington was shopping in Heppner Tuesday.

Mr. and Mrs. B. C. Forsythe of Lone and Mr. and Mrs. Jack Forsythe and children of Lexington were guests of Mr. and Mrs. L. Edwin Dick over Christmas.

Mrs. Veniece Stiles is here from Portland this week to spend the holidays with her mother, Mrs. Josie Jones. Mrs. Stiles is employed by the Civil Aeronautics Authority since going to Portland early in June.

Mr. and Mrs. Orrin W. Furlong of Portland and Mr. and Mrs. George N. Perry of Pendleton were weekend guests of Mr. and Mrs. J. C. Payne.

Mr. and Mrs. W. C. Rosewall have returned from a vacation of several days spent in various places in California.

Christmas guests of Mr. and Mrs. E. E. Gilliam were their son, Rev. Jackson Gilliam and Mr. and Mrs. Ed Clark of Hermiston. Rev. Gilliam went to Spokane Monday to spend the week with Mrs. Gilliam and daughter, Anne Meredith, who have been visiting her parents.

F. W. Turner motored to Port.

(Continued on Page seven)

Medlock Draws Five Years in State Prison

R. R. Medlock was sentenced to serve five years in the state penitentiary when he appeared before Judge Homer L. Watts Wednesday, December 21. Medlock had been held on two counts but the second charge was dropped when he pled guilty to contributing to the delinquency of a minor.

Robert Beach, held on a charge of issuing a check without funds to cover same, was placed on probation for one year.

Billy French appeared in Justice court Wednesday morning of this week on a reckless driving count and Justice J. O. Hager fined him \$100 and costs and suspended his driver's license for a period of six months.

DEPUTY COLLECTOR COMING

Farmers of Morrow county wishing assistance in making out Form 1040ES, declaration of estimated tax for calendar year 1949, are advised that the services of a deputy collector will be available Tuesday, January 3 at the court house in Heppner.



1950 IN A NUTSHELL					
GENERAL BUSINESS:	Off	5%	AUTOMOBILE MANUFACTURES:	Off	15%
NATIONAL INCOME:	Off	5%	BUILDING AND CONSTRUCTION		7%
FARM INCOME:	Off	15%	NATURAL GAS:		Up 5%
BITUMINOUS COAL:	Up	5%	FOREIGN TRADE:		No change
ANTHRACITE:	Off	5%	AIRLINE PASSENGER MILES:		Up 5%
CRUDE OIL PRODUCTS:	Up	5%	MILITARY ACTIVITIES		
STEEL OUTPUT:	Off	5%	INCLUDING AIRCRAFT:		Up 20%
RETAIL TRADE (\$ Volume): Off 3% to 10%					

Business And Financial Outlook For 1950

By ROGER W. BABSON

1. The total volume of business for 1950 will be less than that of 1949, due primarily to the unfortunate labor conflicts. Considering that the innocent consumer will be the chief sufferer and will be obliged to pay the bills, it seems too bad that labor troubles should upset the application.

LABOR OUTLOOK

2. Even with all the threats, there will be a few wage increases during 1950. On the other hand, all labor negotiations take the minds of both the employees and the management off their regular business. However these negotiations come out, they result in a loss from the standpoint of the country as a whole.

TAXES

15. The federal budget will be increased during 1950 over that for 1949.

RETAIL TRADE

19. Goods on counters will be of better grade in 1950 than they were in 1949.

COMMODITY PRICES

7. Movements in commodity prices during 1950 will vary with different groups of industries and of products, but altogether there will be a general lowering during 1950.

DEFICIT FINANCING

27. The supply of money will be increased during 1950, but the price of Government bonds will not change much one way or the other during 1950.

FARM OUTLOOK

11. The total farm income for 1950 should be less than that of 1949, which means lower prices on the average wheat, corn, pork, poultry, eggs and certain dairy products. Farmers should diversify more in 1950, get out of debt and put their surplus money into savings, in preparation for the next crop failure.

REAL ESTATE

38. The city real estate outlook is uncertain. It should continue to hold firm throughout 1950 due to less available rental space caused by pulling down old structures to save taxes and to provide parking spaces. Owing to high costs and the fear of World War III, there will be little inclination to build new city property. On the other hand, the continual movement out of our large cities—in the interest of decentralization—may cause prices to soften.

STOCK MARKET

30. Most stocks will work up and down in about the same range during 1950 as during 1949.

FOREIGN TRADE

23. Our exports will be down during 1950 and our imports will be up during 1950—comparing both with 1949. This will partly be accounted for by the devaluation of the English pound and other foreign currencies.

BONDS

34. High-grade taxable corporate bonds bearing low coupon rates should continue at about the same prices during 1950, but of course, they will sell for much lower prices when money rates increase.

GENERAL BUSINESS

45. Many business concerns and their operations sliding down toward the break-even point. There will not be as much margin between costs and selling prices during 1950 as during 1949. Unemployment will gradually increase due to the installation of labor saving machinery and other causes.

POLITICS

48. 1950 will be an election year. The Republican party will remain in the doghouse. The Administration will continue to talk radically against Wall Street and the so-called "Selfish Interests", but at heart the Administration will be fairly conservative. Its bark will be far worse than its bite.

DRIVE CAREFULLY!

49. The Administration will continue to be sympathetic to organized labor unless someone like John L. Lewis goes too far. In that event, such a man will be made the whipping boy, but with the consent of other prominent labor leaders.

MUSTANGS BEAT YAMHILL

Ten lads from Heppner high school are on a vacation trip this week and are playing basketball in far away places. Tuesday night they lost to Clatskanie. They won from Yamhill Wednesday night. Their schedule includes Scappoose Thursday night, Ranier Friday night and Warrenton Saturday night.

HONOR ROLL FOR SECOND SIX WEEKS

Nine Heppner high school students earned place on the scholastic honor roll for the second six weeks period. They are Roger Palmer, Marjorie Pierson, Jack Sumner, Ronald Taylor, Keith Connor, Jim Smith, Marion Green, Mary Gunderson and Jim Orwick.

DRIVE CAREFULLY!

Governor Douglas McKay and Secretary of State Earl T. Newberry today joined in an appeal to motorists to use extra caution to avoid needless death and injury in traffic over the New Year's holiday. "Our police officers are always on the alert for the reckless or intoxicated driver," Governor McKay pointed out. "But experience has shown it is the occasional and unforeseeable chance-taking of the average driver which causes most of our accidents."

Better Than \$500,000 Building Program Lot Of Heppner In 1949

SRO Sign Needed At School Program Thursday Evening

Standing room was at a premium as over 500 people crowded into the school auditorium to attend the annual Christmas program presented by the Heppner schools. Over 300 children took part in the presentation, including the high school band, high school girls chorus, grade choruses, and the characters in the operetta, "Hansel and Gretel."

The operetta itself consisted of three acts. The scene of act one centered in the home of Hansel and Gretel. Act two depicted a forest scene where Hansel and Gretel became lost. Fir and pine trees about the stage made a realistic forest scene. The scene of act three was the witch's home including the prison cage, the witch's large oven as well as her cookie and candy house. All ended well as the witch herself was pushed into the oven in which she intended to roast Hansel and Gretel.

The principal characters in the operetta were: Hansel, Paul Beckert; Gretel, Mary Ruth Green; Father, Ronald Currin; Mother, Geraldine Carter; Witch, Dixie McAllister; Sandmen Jackie Mishler, Billie Monahan; Dewmen, Melvin Olson, Jay D. Hudson; Cookie children, Karen Pate, Billy Irby. Other witches, angels, choruses.

Kindergarten Tots Do 'Stuff' at Yule Party

Last Friday afternoon was red letter day at the Kindergarten when Mrs. Richard Meador and the five-year-olds entertained at a Christmas party. The guest list included mothers, grandmothers, aunts and a younger brother and sister or so—all highly appreciative of the efforts of the small fry who have attended the kindergarten class since September.

Some of their favorite stories were dramatized with much verve and at the conclusion of the program of songs and stories, gifts were exchanged.

The little folk are having a vacation this week but will return to their class at the Civic Center Tuesday, January 3 at 1 p. m. All children who are five years old may be enrolled at any time.

JAY-CEE-ETTES THANK OUTDOOR DECORATORS

We thank the many participants in our Christmas outdoor decoration contest. There were so many outstanding entries that the judges must have found it difficult to select the winners. We are sure that Santa Claus was delighted with Heppner's festive appearance.

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Building permits to the amount of \$561,835.10 were issued in Heppner during 1949, according to O. M. Yeager, building inspector since passage of the ordinance governing building regulations. This total represents amounts certified with the building inspector and no doubt does not cover the entire amount invested in building and repairs, since in the matter of construction contract estimates nowadays usually run far below actual costs.

Chief among the building projects, and taking up two-thirds or more of the total, have been the hospital and the Morrow County Grain Growers elevator. These account for \$400,000 or more, leaving approximately \$160,000 invested in new homes and repair and remodeling jobs. Broken down, Yeager has estimated new homes, hospital, elevator and business buildings at \$317,166.40 and repair and remodeling jobs at \$44,668.70, for a total of \$561,835.10.

The inspector states that during the past 12 months there have been more new homes constructed than during all of the past 30 years. "All of our new homes are of the latest type and equal to the best homes in larger cities," he said. "I have followed the building trade for years, starting in this very city about 50 years ago, and am in a position to compare the type of homes being built now with some of those built years ago, and the changes have been very good. All the new homes that have been and are being built have the latest labor saving devices, and more time and thought have gone into the building of practical, livable and beautiful homes."

Aside from residence and building construction, the city has spent several thousand dollars on new bridges, street repairs and other improvements, much of it made necessary by the damage done in the flood last February.

Principal items of improvement along Main street during the year have been the redecoration of Hotel Heppner and construction of a new cleaning plant for W. C. Collins. Mr. Yeager calls attention to the face lifting that has taken place on Main street within the past two or three years, giving the town a modern appearance.

Looking ahead, but not with the expectation that much will be done about either project in 1950, the inspector calls attention to the need of a sewer system and additional school facilities. As the town grows, both of these improvements will become more essential and the city is only waiting for approval of the proposed sewer bonds to start proceedings for holding an election. Likewise the school board is giving much thought to an additional school building, but there is little likelihood that actual construction will be a matter of the immediate future.

"Already I have advance information relative to new construction work to be started early in 1950, such as new homes, business buildings and others which I am not at liberty to mention just now, that will run to almost \$250,000," Yeager concluded.

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