

Digest of Major Points in Eisenhower's Economic Report To Congress

Confidence Seen That Prosperity Will Be Extended

Washington—(U.P.)—Here is a digest of major points in President Eisenhower's annual economic report to Congress today: Outlook for 1957

"There are grounds for confidence that the nation's overall prosperity will be extended into the months ahead." But inflation is a growing threat. Industrial prices rose 8 per cent last year, consumer prices 2.7 per cent. Wage boosts outran the increase in labor's productivity. Interest rates have risen sharply in a tight money market. To curb these inflationary trends and maintain economic health will require "responsible" joint efforts by government, business and labor.

Government's Role

Congress should keep taxes where they are and hold the line on federal spending at the level fixed in his fiscal 1958 budget. It also should move to "strengthen competition" by tighter anti-trust laws, aid to small business and other legislation.

Business and Labor
Business has the responsibility to "remove restrictions on competition," to protect the public against unnecessary price increases, and to avoid "excesses" in plant expansion and use of credit.

Both management and labor "have the responsibility to reach agreements on wages and other labor benefits that are fair to the rest of the community as well as to those persons immediately involved." Wage increases negotiated in 1957 "should be consistent" with actual increases in productivity or they will be inflationary.

The Economy in 1956

National output hit a record high of \$412 billion, an increase of \$21.5 billion over 1955. This occurred despite a slump in automobile production and housing construction. Employment rose 1.8 million. Wages during the last quarter of the year averaged about 6 per cent higher than in the last three months of 1955. Corporation profits were "slightly larger" than 1955. Farm income "improved."

"High raw material prices and advancing labor costs," especially after the summer steel strike settlement, brought industrial price increases "on a broad front." They averaged 8 per cent for the year. Wholesale prices climbed 4 per cent. All major categories of consumer prices rose for the first time since 1952.

Tight Money

Heavy demands for credit have forced interest rates up "sharply." Mortgage debts rose about \$15 billion, bank loans \$8 billion. Homebuilders and buyers had a hard time getting loans, especially on government-guaranteed mortgages where interest rates were pegged below the going market. "New and smaller business firms" were especially pinched on loans.

These facts demonstrate that the government can't rely wholly on credit restraints to halt inflation. The consequences are too rough on some segments of the economy.

Four Years of Prosperity

Since the start of his first administration in 1953, the nation has experienced "remarkable" economic growth. Allowing for changes in dollar value, the average person's income has risen 10 per cent after taxes. Five million homes have been built, nearly 25 million automobiles sold.

Legislative Recommendations

The President repeated all of his major legislative proposals from his earlier state of the union and budget messages. In some cases, he added new details or hinted at specific recommendations to be made later.

He disclosed, for example, that Agriculture Secretary Ezra T. Benson is "investigating possible revisions in the parity formula" used to calculate farm price supports. The present formula, the President said, is "clearly out of line by any economic standard."

He also promised to send Congress soon the results of a Federal Reserve Board study on the need for standby powers to control installment credit. He said the study would be "a useful guide" to possible legislation.

Spelling out a previous proposal to extend unemployment insurance coverage, he said Congress should bring under it an estimated 1.8 million employees of now-exempt firms with fewer than four employees on their payrolls, and also extend individual states to raise their unemployment pay standards so that covered workers would get at least half their regular earnings for a period of 25 weeks of joblessness.

Population Growth

The rapid growth in the U.S. population will have "profound effect" on the nation's economy and raise many new problems



PLEDGES PURSUIT OF PEACE—President Eisenhower delivers inaugural address in the Capitol Plaza in Washington after taking his second term oath of office. The chief executive pledged his administration to energetic pursuit of peace and said he believed the United States could be a major, contributory force to healing the divisions of the modern world. Seated at right is Vice President Richard Nixon.

Hungary Watching West's Diplomats

Vienna—(U.P.)—Secret police of the Soviet-backed Janos Kadar regime keep close surveillance on Western diplomats in Hungary, refugees said today.

They said members of the Western missions are constantly shadowed by Red agents in the return to the police-state methods of the Stalinist era.

The refugees said that the Western legations have been virtually placed out of bounds for Hungarian civilians. Hungarians who visit the legations are seized and questioned.

According to the refugees, police warn civilians that it is an offense against the state to visit a Western diplomatic mission. Under the martial law imposed on Hungary by the puppet regime, an offense against the state is punishable by death.

Reports reaching Vienna indicated the Communists are steadily intensifying the police-state terror campaign. Virtually all of the gains made in the October freedom-from-Moscow uprising have been wiped out.

Big Counterfeiting Ring Investigated in Florida

Miami—(U.P.)—U. S. Secret Service agents today investigated a possible large scale counterfeiting ring.

About two dozen bogus \$20 bills have turned up in suburban banks. The bills were passed mostly in nightclubs, bars and a few supermarkets, agents said.

Oregonian Writer Gets Cowling Award

Portland—(U.P.)—The Cowling Memorial award was presented by the Portland local of the American Newspaper Guild last night to Ted Waggoner, home and garden editor of the Oregonian.

The annual award is made in memory of the late Owen S. (Pop) Cowling, long time guild officer, to the member of the local who during the year best exemplifies the "devotion to the aims and ideals of the ANG..."

Lightning Kills Four

La Paz, Bolivia—(U.P.)—Four teenagers were killed and nine others were injured Tuesday when lightning struck a field where they were playing soccer, authorities reported today.

Rotarian Activities Discussed at Meeting

Mark Goldy, Medford real estate man, discussed a project providing gifts and entertainment for patients in a leper colony at a Rotary club meeting Tuesday.

He also said four Rotary clubs of Hong Kong operate a camp for under-privileged children on an island in the Silver Mine Bay.

Kansas City Rotarians donated and equipped a 40-acre timberland site as a summer playground for youngsters, he added.

Goldy said he obtained his information from an article in the Rotarian, official publication of Rotary. Walter Higgins, magazine chairman of the club, introduced him.

Ice and Snow Make Driving Hazardous For Oregon Autoists

By UNITED PRESS

Ice and snow made the going hazardous for motorists in many sections of northern Oregon today and it was so bad in Portland that thousands were late to work.

It was snowing hard at Pendleton with nine inches reported since 6:30 p.m. yesterday. The weather man there predicted another three inches by noon.

Snow melted in Portland yesterday afternoon, then the streets became covered with ice when it froze late last night. Added to this was a light covering of snow this morning which partly hid the ice. Many motorists were caught without chains.

Traffic Tangled

The result was a rush-hour angle of traffic. Southwest Barbur boulevard south of Rasmussen Village saw cars backed up for miles. Every street in the city was slick.

Police reported only minor traffic accidents but there were scores of close calls.

The weather bureau said a new surge of cold air would drop temperatures from 5 to 10 degrees over northern Oregon by tomorrow. Only occasional snow was forecast, but the Columbia gorge was promised increased east winds.

Chains Needed

Highway department officials said snow and ice made chains a necessity for travel at Timberline, Government Camp, Warm Springs junction, Santiam pass and Pendleton.

Motorists were advised to carry chains at Portland, Wilson River summit, Sunset summit, Cascade Locks, Troutdale, Detroit, The Dalles, Meacham, La Grande and Austin.

Hard snowing dumped 11

Neuberger, Morse Offer Veterans Bills

Washington, D.C.—Two measures pertaining to veterans affairs were introduced into the U.S. congress last week by Oregon's senators.

Sen. Richard L. Neuberger introduced a measure to provide for the extension of the "GI bill of rights" for as long as compulsory military service is required of young men. It was the same bill he introduced into the last session of congress, on which no action was taken.

The bill would provide educational benefits for veterans of military service commensurate with the amount of time spent in the service, and would be retroactive to the expiration of the earlier GI bill.

Sen. Wayne L. Morse introduced a resolution which, if adopted by the senate, would create a standing senate committee on veterans affairs which the senate has not had previously. Veterans legislation has usually been referred for consideration to the labor and public welfare committee.

Lightning Kills Four

La Paz, Bolivia—(U.P.)—Four teenagers were killed and nine others were injured Tuesday when lightning struck a field where they were playing soccer, authorities reported today.

Read and Use Classified Ads The Low Cost Way To Sell For Quick Cash

Civil Service Exams Announced This Week

The civil service commission has announced examinations for inspector of locomotives and a storekeeping clerk. Applications should not be filed later than March 21.

Additional information and applications can be obtained from Chester W. Silliman, at the Medford post office.

Former Convict Wins Car on TV

New York—(U.P.)—A convicted murderer received a 1957 Cadillac convertible Tuesday night on a television quiz show, instead of an \$8,000 prize he tentatively won last week.

John Resko, 45, of the Bronx, N. Y., who was paroled from prison in 1949, answered the \$8,000 question Tuesday of last week on "The \$64,000 Question" show. Part of his answer did not agree with the one prepared by the program, however. The judges checked his answer during the week and ruled it incorrect. He was awarded the program's consolation prize.

Resko was sentenced to death when he was 19 for a holdup slaying and reprieved three times. While in jail he educated himself in law and the arts. Since then he has become a writer and an artist. His book "Reprieve" was published last month.

He chose "antiques" for his category and was asked to name the manufacturers of four hallmarks of ceramics. He identified one as Limoges. The correct answer was Sevres.

School Enrollments Mount 10 Per Cent

Portland—(U.P.)—Enrollments at state supported colleges and the university have increased 10 per cent over those for the winter term a year ago, according to Chancellor John R. Richards.

The Chancellor said the enrollment increase was expected and was normal. He reported to the State Board of Higher Education here that increases ranged from five per cent at Eastern Oregon college at La Grande to 12 per cent at Portland State college. Winter term enrollments normally show a decrease.

BLIGHT KNIVES
Bergman's SHOP
3012 Crater Lake Highway
PHONE 2-6771

For Action, Use Tribune Want Ads

Need A Loan?

- For Medical Expenses?
- To Help Meet A Crisis?

LET US HELP YOU!

Loans To \$1,500

- SALARY
- AUTO
- FURNITURE

Crater Finance CORPORATION

135 Pine Street Phone NO-4-1273
CENTRAL POINT, OREGON
Frank Wilkinson, Mgr. — No Parking Problems

WOOLWORTH'S

Sweep out the Bargains

Collect the Savings

BOYS' DUNGAREES

Made of 9 oz. Sanforized Denim with zip-fly front. Sizes 8-10-12.

Reg. 1.49 Value **\$1.27** SALE PRICE

MEN'S COTTON ARGYLE SOCKS

Available in regular or high-fashion colors. Sizes 10½ to 12.

Reg. 59c Value **39¢** SALE PRICE pr.

GIRLS' IMPORT BLOUSES

Sizes 7 to 14 in large assortment of styles. Seven beautiful Spring colors to choose from.

A BIG \$1.00 VALUE **1 ea.**

LADIES' COTTON DUSTERS

Sizes small, medium and large. New print designs with Peter Pan and Mandarin collars.

JANUARY SALE PRICE **\$1.89** each

USE OUR LAYAWAY PLAN

Buy now at these low prices and pay later! A small deposit will hold your purchase until you're ready to pick it up. Ask any of our clerks about it!

PLASTIC DRAPES

Just arrived—New plastic drapes. These are in bright Spring patterns that will give your home a lift.

98¢ pair

LAMP SHADES

14" - 15" - 16" in Bridge and Table styles. Made of Fibre Glass and Parchment in a large assortment of colors.

JANUARY SALE PRICE **97¢ each**

LAMP & SHADE

Boudoir Lamp and Shade. 3 styles to choose from. A REGULAR —1.98 VALUE

SALE PRICE **\$1.47**
You Save 51c

SOFA PILLOWS

Rayon Prints and Solid Colors

JANUARY SALE PRICE **87¢**

ROSE BUSHES

This is a BIG VALUE package of two only No. 2 Rose Bushes in popular varieties.

For Only **\$1.00** Pkg.

LISTEN TO **THE WOOLWORTH HOUR**
Every Sunday 1 to 2 P.M. — STATION KYJC

F. W. WOOLWORTH CO.

39 NORTH CENTRAL AVENUE MEDFORD, OREGON

SPECIAL SALE!

Save \$30.07

THIS WEEK ONLY!

Get a Powerful Brand New **EUREKA**

Roto-Matic Model 805 with Zip-Clip Swivel Top **\$79.95 VALUE**

FOR **\$49.88** Complete with tools

Easy Budget Terms

See live demonstration at Our Store at Once, or **PHONE 2-4998**

FOR FREE HOME DEMONSTRATION!

STARK'S VACUUM CLEANER SALES & SERVICE
1109 NORTH RIVERSIDE

NO DUST BAG TO EMPTY ½ HP MOTOR

\$10.00 ROTO-DOLLY Included! No Extra Charge!