

Michigan Deep in Financial Peril; Legislature, Governor Said at Odds

By JACK V. FOX
Lansing, Mich. — (UPI)—Michigan has reached a new peak of financial peril.

There is talk of closing universities, bringing state police in off the road, cutting welfare payments, laying off thousands of state employees and more "payless paydays" for others.

The state has unpaid bills piled up of about \$72 million. It has just collected and spent \$14 million from its citizens from a tax now declared illegal and faces the near impos-

sible task of trying to rebate all the pennies collected on purchases of clothing, groceries and other small items.

Its Legislature is going into the 11th straight month of wrangling while, as one newspaper said last week, proposals for new taxes waft around the chamber like exotic perfume.

It seems—and it is—ridiculous that bankruptcy threatens Michigan. This is one of the wealthiest and fastest growing states in the nation. It has the huge automotive in-

dustry, magnificent forests and mineral deposits, a big agricultural industry.

Why, then is Michigan broke?

The answer boils down to a no-quarter struggle between the Republican controlled legislature with the support of industry and Democratic Gov. G. Mennen Williams, a millionaire with the backing of the United Automobile Workers Union.

Williams has been governor for six consecutive two-year

terms and the Republicans have ruled the Legislature those 12 years. In all that time, they have never reached a satisfactory, long-range tax program, although state expenses mounted rapidly.

To understand Michigan's problem, certain facts must be stated. The state is constitutionally prohibited from borrowing more than \$250,000—although even its towns can float bonds and go into debt by \$2 million or more. Thus, while other states can and do borrow to meet current needs, Michigan cannot.

Much of its revenue is earmarked to more than 40 special funds which cannot be used for general state expenses. It has no state income tax. Its main revenue comes from a 3 per cent sales tax. But in 1946 legislation was passed that out of every six cents collected on the sales tax, 4 cents had to go to the schools and one cent to local governments. That left only one cent for the state.

This is not the first crisis by any means. Past shortages have been met by such expedients as a new tax on liquor and one on cigarettes. Now, more patchwork tax legislation is in prospect by the Legislature.

One likely action is the seizure of the veterans' trust fund of \$40 million to pay off bills. This fund has been used only to the extent of loans of about \$1,500,000 a year to veterans and the argument is that those can be handled by a special appropriation.

Another idea is a new \$10 "one-shot" tax on every automobile owner in Michigan. With 3,500,000 cars, that would bring in \$35 million.

The state got a bad jolt last month. Another of its expedients was raising the sales tax from 3 per cent to 4 per cent and calling the extra one per cent a use tax. The state Supreme Court declared it illegal—on a strictly partisan five Democrats and three Republicans basis—and an anticipated income of \$110 million was lost.

People Are Disgusted

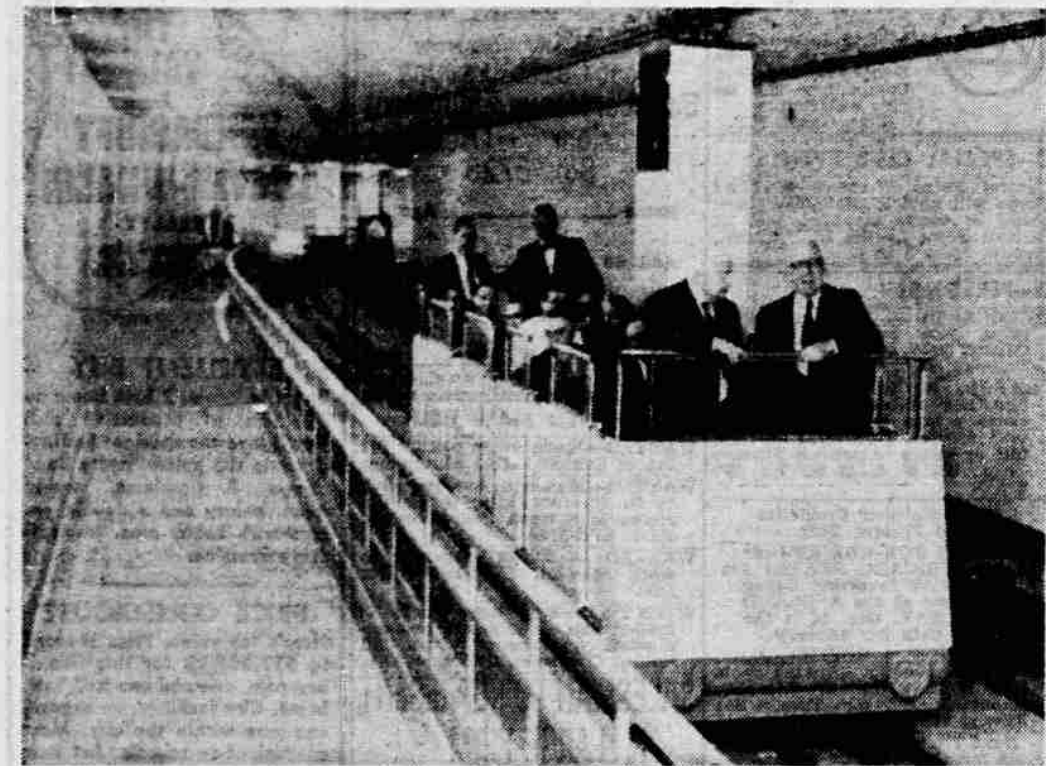
Now there is much political scurrying to put referendums on the ballot in the November 1950 election to fit party strategy.

The Republicans proposed to ask a constitutional change to boost the sales tax to 4 per cent.

The UAW over the week end countered that it would ask approval of a terrific excess profit tax which would take 25 per cent of corporate income over 6 per cent. With General Motors record earnings for the first nine months of this year, the annual tax on that company alone would put Michigan in the black.

Williams says that is all very well, but he needs \$110 million now.

The public hasn't had the chance to say much of anything, but a visit here makes it evident the people are disgusted. Several editors at a United Press International meeting in Grand Rapids agreed a lot of people would like to toss out the entire Legislature, Democrats and Republicans alike, plus the governor and start with a clean slate.



CAR GETS TRIAL RUN—The new subway Building with the Capitol. In the front seat car was given a trial run in Washington, D.C. in the newly-completed subway that connects the Old and New Senate Office Aiken, (R-Vt.). —(UPI Telephoto)

Most Metalworking Plants To Close Soon for Lack of Steel

Cleveland — (UPI) — Four out of every five metalworking plants will shut down or curtail operations within the next 30 days for lack of steel, according to a survey by Steel, the industry weekly.

The magazine said that an estimated 350,000 metalworkers were already laid off because of steel shortages. The number will increase to 400,000 to 500,000 a week for the next several weeks.

The survey showed that 42 per cent of the companies covered on inventories reported less than a 10-day supply of steel. About 37 per cent had 10 to 30-day supplies. Only 21 per cent had stocks beyond the 30-day level.

If steel does not start flowing from the mills by the end of this month, the nation's huge metalworking industry will grind to a virtual halt. Steelmakers will require at least four weeks to get up to

90 per cent of capacity and six weeks to reach that rate of shipment.

Centers Going Bare

Service centers in the major steel consuming centers are selling out to the bare walls, Steel said. The once brimming warehouses are swept clean of the most wanted items—sheets, plates and structural. Shortages of plate and structural will force additional cutbacks in heavy construction.

Service centers in Chicago reported aluminum was being used to replace galvanized stocks. Buyers were turning to alloys because of a shortage of carbon bars.

Producers of semi-finished steel were expected to have little or nothing to offer now—regular customers after the strike. They are consigning almost all ingots, billets and slabs to their own mills or to buyers with long term con-

tracts.

The industry weekly said Steelworkers have lost \$1.13,000,000 in wages through today in the steel strike. Companies have lost \$3,300,000 in sales and \$632 million in overhead, depreciation and salaries of non-production workers. Tax losses to the U. S. amounted to \$710 million. In terms of lost production, the cost amounts to 30,900,000 tons.

Operations Up Fractionally

Last week's steelmaking operations were up fractionally because of the resumption of Kaiser Steel Corp. operations. The ingot rate climbed to 13.5 per cent of capacity for an output of about 382,000 ingot tons.

The rate was expected to rise slightly this week as Kaiser production gains. In addition to Kaiser, there are 71 plants of 61 companies still operating. Thirty-six plants are making steel on contract extensions. Detroit Steel Corp., Granite City Steel Co., and Wickwire Bros., Inc., signed new contracts. Five others have unexpired contracts and 27 do not have United Steelworker contracts.

Steel's price composite on the prime grade of heavy melting scrap held last week at \$44.33 a gross ton for the third straight week. Prices were marking time at most centers, pending the expected pickup in mill requirements.

Cub Scouts

Pack 4

Cub Scout Pack 4, Oak Grove and West Side schools, met Thursday evening with approximately 125 in attendance.

Cubmaster George Bryant conducted the bobcat ceremony for 15 boys. They were Mitchell Baker, John Warren, Billy Salade, Pat Monroe, Tommy Knox, Timothy Johnson, Gregory Graff, Daniel Gleason, Bob Hubbard, Jeff Rose, Ronnie Martin, Donald Wilson, Gary Ekberg, Tommy Linhart and Victor Linhart.

Chairman Jerry Keese presented the following awards: Donald Turner, bear badge and one year pin; Dennis Phillips, bear badge and one year pin; Ronald Gustafson, one year pin and assistant denner's stripe; Gary Ray, two year pin; David Culbertson, two year pin and lion badge; Ben Belknap, lion badge; Brian Kellington, lion badge; and Rick Howell, three year pin.

Mr. Culbertson, Webelos leader, introduced Mr. Sharon Eichelberger of Troop 4 who conducted a graduation ceremony for Ricky Howell.

Mr. Bryant presented plants to Mrs. Kellington and Mrs. Larson, outgoing den mothers, in appreciation for their work.

Den 5 led the flag ceremony. Mr. Keese introduced the committee members, Mr.



OLD-TIME BEATNIK—Poet Carl Sandburg stated in Washington, D. C., that he was a beatnik long before most of the present day bearded coffee-house types were out of diapers. Sandburg, 81, said he anticipated beatniks for several years. He also stated that some of his best poems, including "Jazz Fantasia," are beatnik.

Wing, Dean Eppinger, Chuck Shinn, Mr. Bryant, W. H. Howell, Bill Rose, and Don Collins. Mr. Rose and Mr. Shinn led the group in a song and Mr. Howell gave the treasurer's report.

Den 3 won both the attendance flag and the Akeilla doll.

The next committee meeting will be Thursday, Nov. 5, at 7:30 p.m. at the home of Mr. Keese, 3216 Madrona lane.

The evening concluded with the playing of several Halloween games.

SCHOOL NEWS

McLoughlin Junior High

By Sandy Hager, Jerry Braun and Jack Smeltz
McLoughlin speech students held their first radio broadcast over KJYC Saturday evening. Mary Margaret Barr was moderator for a panel discussion which featured Lindsay Darneille, president of the student body; Ron Calkins, vice president; Margaret Dooleen, secretary; discussing the election, their duties, and plans for the coming year. School news was presented by Janet Eddy and Dale Stansfield gave a rundown on the sports activities for this year. Pat Neil was the announcer.

Jack Henry is the speech instructor and directed the program. Programs will be presented approximately every three weeks.

McLoughlin's Junior Torch Honor society received its charter and initiated its charter members in candle light ceremonies conducted by the Senior Torch officers, Elaine Jennings, Dick Peterson, Rosalind Randles, Bob Hamilton, and Marcia Williams. Berl Cox opened the program with Mrs. Eula Foley explaining the qualifications for membership.

The ninth grade ensemble sang several selections. Parents of the 38 charter members were invited to the ceremonies. The honorary organization is a branch of the National Junior Torch Honor Society of Secondary Schools. Students must maintain a grade point of 3.5 or better, and must excel in leadership, service to school, and citizenship to gain membership.

Mike Neathamer was elected president of the Letterman's club at a meeting Monday afternoon. Jack Lowery, vice president; Chuck Kimball, secretary; Terry Wine-trout, treasurer; and Jim Stiger, sergeant of arms, were other officers named. A Letterman's dance and several parties are planned for the year.

Judy Chastain will leave Oct. 26 with her mother for New York to compete in Singer's Stylenmaker contest. Judy, an eighth grader, is one of 15 finalists in her division competing for the highest award in sewing. She will be gone for five days.

There was much laughing and giggling when the seventh grade students of William Stoughton's art classes completed their project, machines that don't exist. Some of the students created a "golf ball machine," a "love-making machine," a "money machine," and an "automatic teacher" machine.

Some of the different types of painting that the students of Jack Teeter's eighth and ninth grade art classes have done is on display in the main hall showcase. Students whose work was displayed are Larry Byrne, Linda Ellison, Janet Spoerl, Coria Earl, Bob Bennett, LuWayne Stine, Richard Barnes, Regina Holland, Sharon Balze, Sylvia Coggins, Gary Dawson, Robert Gray and Robert McGuire.

The McLoughlin Blacks won their battle of the gridiron against the Mac Whites in a seventh grade contest on the field Thursday.

The seventh grade girls volleyball team held a playday with Central Point last week directed by Mrs. Judith Adams and Mrs. Onstad. Shireen Prough, Diane Guyette, Catherine Watson, Dorena Earl, Jerry Braun, Betty Hatch, Paula Lowery, Toni Fagoni, Lorraine LeFaive, Betty Davis, Nancy Taylor and Sue Fox played in the games.

McLoughlin girls who were interested in planning a dance for Halloween were invited to meet with Bob Jones at the "Y" Monday afternoon.

Students in Mrs. Friesen's music classes have been picking a Hit Parade every two weeks of the most popular songs of Mac students. This week's top song is "Three Bells."

Arthur Epperson, an amateur astronomer from Klamath Falls, presented a program on astronomy in General Brown's eighth grade science classes. Mr. Epperson, an insurance man by trade, used a home-made instrument called a "Sattellitic Orrery." This device consisted of a motor driven rotating globe with a model Sputnik orbiting around it.

Plans for a welcoming assembly for seventh graders and a student body dance Nov. 10 were discussed at the student council meeting last week with Liz Darnelle pre-

siding. Following the student council meeting, the ninth grade council under the direction of John Gates held a meeting to plan for some coming events for ninth graders. The ninth grade council consists of Marilyn Conrad, Melba Graham, Lynda Grimes, Sandra Grimes, Vicki Ingram, Sue Nelson, Mary Margaret Barr, Jim Stiger, Frank Van Pelt, and John Gates.

Hedrick Junior High

By Vicki Toenniges
The Hedrick Junior High band marched with the McLoughlin band, Ashland, and Medford High band Friday night at the Black Tornado's game against Ashland at the Medford stadium. The theme of the half time program was the United Medford Crusade.

Hedrick was represented by 32 girls at the FHA district meeting held in Grants Pass Saturday. Next year's business agenda was discussed. The girls paid \$1 which entitled them to transportation and a lunch which was provided by the Grants Pass chapters.

Hedrick Hornets played the Ashland Grizzlies Friday, October 30. The Hornets will wind up their football season by playing McLoughlin on Saturday, Nov. 7, at 1:30 p.m. The bands and pep clubs from both schools will put on a half time show for that game.

Seventh graders are planning a "Get Together Party and Dance" Friday, Nov. 6. Cost will be couples, 25 cents and tags, 15 cents. Parents will help chaperone.

Library assistants brought their sack lunches and held a Halloween party during lunch period on Thursday.

Art rooms are nearly completed and classes expect to be able to move back into them next week.

Halloween signs were provided by the Hive service club for people in the community who were ill and did not wish to be disturbed.

IQ tests were given by Henry DeVoss, and Miss Louise Basford, special education department, to all seventh and ninth graders Thursday.

Eight graders who were new to Hedrick this year were tested Friday. This is a part of the regular testing program of the Medford public school system.

Students are looking forward to the return of their school pictures which were taken several weeks ago.

The first issue of the Buzzette will be off the press and ready for distribution this week.

The Association for Supervision and Curriculum Development will meet in our school Monday and Tuesday. Dr. Robert E. Bills, chairman of the department of psychology, Alabama Polytechnic Institute, Auburn, Ala., will be speaker.

Crater High School

By Lavonne LaFever
Arthur Straus, principal, reports that in the past several days the faculty has been going through a self evaluation in preparation for a visit from an evaluation committee. The purpose of the evaluation is to meet the requirements for membership in the northwest association.

All seniors not going to college received a visit from Mr. Newman Wednesday, Oct. 28. Newman is from the employment bureau. Those seniors were given aptitude tests to determine in what classification of non-professional work they would fall. Thursday, Newman interviewed the students.

Each year the organizations in the community of Gold Hill go together to sponsor a Halloween party for all district 6C teachers. The annual party was held in the Gold Hill Grange Thursday night, Oct. 29.

Miss McGalliard, a public health nurse for the Jackson County Health department, was guest speaker for the Medical - Minded Maids last Thursday during the activity period. Miss McGalliard spoke to the girls on "Public Health Nursing as a Career."

This year, different from last year, Mrs. Broadbeck's library assistants are receiving one credit towards graduation for their aid in the library. They are given six weeks tests and receive daily assignments, just as in their other classes. Mrs. Broadbeck's assistants are Nancy Beacham, Glenna Brown, Darlene Tomlinson, Patt Hurt, Jim Coghill, Raymond Walter, Pat Striplin and Wanda Curtis.

The speech club, led by Don Lacy, is selling pennants and decals representing Crater High to raise money for speech tournaments and debates at Linfield and various other schools throughout the year.

The PTA will be serving coffee, milk, and dessert in the cafeteria. Extra pies and cakes will be sold at the close of the meeting.

Mrs. Grace Kirtley's third grade is studying about animals and how to tell one group from another. The class saw a film on "Animals in Winter," which was interesting.

The successor to the "Jeep" is a new 1,700 pound vehicle powered by an aluminum, air-cooled V-4 engine.

Oak Grove School

By James Westerfield
Mrs. Gustafson's first grade is studying about deer in science class. Since it is getting near Halloween, they are making cats and pumpkins.

Mrs. Dunn's second grade is studying about weeds, flowers, and seeds. They are also making seed pictures. They are making black cats, owls and pumpkins.

Open house will be held at Oak Grove school from 7:30 to 9 p.m. Thursday, Nov. 12. Parents of the primary children will have an opportunity to visit with their child's teacher and intermediate



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BUTTE FALLS Awards Presented Scouts

By MARY JO HARRIS
Butte Falls — Cub Scouts from Dens 1 and 2 were presented awards at a pack meeting held last month.

The October theme was Pets and Hobbies and several Cub Scouts brought their pets to the pack meeting. Skits were presented by both dens on the theme.

Wolf badges were awarded to the following cubs from Den 1: Mike Gray, Jimmy Burton, Tommy Finch and Jesse Smith. The denner stripe was presented to Mike Gray and Ronnie Stanton received the assistant denner stripe. The gold and silver arrow was presented to Ronnie Stanton.

Those receiving wolf badges in Den 2 were Floyd Smith, James Driskell, David Boggan and Jerry Lee Price. Stephen Tygart was presented the denner stripe and Mike Lindley the assistant denner stripe. Mike Lindley and B. J. Rodgers received the gold arrow and B. J. Rodgers also received the silver arrow.

The Butte Falls Parent-Teachers association executive committee will meet Wednesday, Nov. 4, at the grade school at 3:30 p.m.

Orb Abbott was recently confined at the Rogue Valley hospital for two weeks due to a serious illness. He spent a short convalescence period at his home and has once again returned to his job with Medford Corporation.

Steven Lindley recently underwent major surgery at the Sacred Heart hospital. Following convalescence at his home, Steven has once again returned to school. He is a son of Mr. and Mrs. Ed Malloy.

Mr. and Mrs. Lee Abbott of Reno, Nevada, were recent visitors in the home of his parents, Mr. and Mrs. Orb Abbott. Mrs. Abbott is a niece

of Mr. and Mrs. Bernard Par-ton.

The November meeting of the Butte Falls Lion auxiliary will be held at the home of Mrs. William Harris Tuesday, Nov. 3. Projects will be discussed.

Mr. and Mrs. Bob Wells, former proprietors of the Butte Falls Shell Service were recent visitors in Butte Falls. While here they visited with many friends and were guests at the home of Mr. and Mrs. Clyde Moore. The Wells are now making their home at Arcata, Calif.

Mr. and Mrs. Ed Malloy recently took their vacation and made several stops visiting with friends and family. They stopped at Eugene where they visited with the George Bray family and in Portland with Mrs. Malloy's brother, E. L. Kidwell.

At Seattle they visited with Mr. Malloy's parents, Mr. and Mrs. John Malloy. From Seattle they went to Grand Coulee where they visited Mr. and Mrs. Roy Menteer, former residents of Butte Falls, and made the return trip home via Coeur d'Alene, Idaho.

Dr. and Mrs. Daniel Heryford and family, Albuquerque, N. M., were recent visitors in the home of Mr. and Mrs. Orb Abbott. Dr. Heryford and Mrs. Abbott are brother and sister.

CANARIES BEST-SELLER

New York—(UPI)—Top sellers in the pet departments of variety chains are singing canaries, according to trade sources. Parakeets have regained some of the popularity they enjoyed four or five years ago, and will outsell canaries through November, the sources said, but sales of singing canaries will rise sharply before Christmas.

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