

In The Day's News

By FRANK JENKINS

From Washington: Starting Friday, Uncle Sam will take more from your pay check for social security taxes.

The 20 per cent hike, which will be felt by virtually every worker and employer in the United States, is designed to bring the government an additional two billion dollars a year in revenue.

It will be the fourth increase in social security taxes in the last three years. The present law calls for three more increases spread over the next nine years.

How come all these increases? It's perfectly simple. Higher taxes are needed to cover the swelling costs of the program, which now provides monthly benefit checks to 13,400,000 persons. Our population is growing. The statisticians like to tell us it is EXPLODING. Each year there are more people.

And—Each year more people reach the age at which they become eligible for social security checks. Not only are more people being born. Each year MORE PEOPLE ARE LIVING LONGER.

That explains why social security costs are rising. It explains why they are going to go on rising.

There's another reason why social security costs are rising and will keep on rising. When social security was started, a dollar would buy a certain amount of security. Now the same dollar buys MUCH LESS SECURITY.

So—As inflation grows—Social security checks have to be BIGGER.

Let's not complain (too much) about the rising cost of social security. Social security is one of the good things of modern life. We couldn't do without it. No one would want to do without it. No one wants to go back to the cruel days when for a large part of our population advancing years meant moving in with the children . . . or being helped out by the neighbors . . . or GOING TO THE POORHOUSE.

But—Let's keep this in mind: There is no such thing as something for nothing. Social security doesn't come for free. It isn't manna from heaven. It isn't something that is given to us by the kind-hearted politicians.

It has to be paid for—just like everything else that is worth having.

Space Slate Probe Made

WASHINGTON (AP)—A critical inquiry into this nation's space, missile and defense program by Senate Majority Leader Lyndon B. Johnson (D-Tex.) appeared certain today.

Top staffers of the Senate Space Committee and the Armed Services Preparedness Subcommittee already are hard at work on details of an investigation expected to get under way soon after Congress assembles next Wednesday.

Johnson, chairman of both key groups, has spearheaded several attention-getting investigations at the start of congressional sessions the past two years.

Now regarded by many as a Democratic presidential possibility next year, Johnson is expected to probe into some of the controversial spots of the Republican administration's defense policies and programs.

Two New York attorneys, Edwin L. Weisl and Cyrus R. Vance, who have acted as special attorneys in past Johnson probes, are at work in Senate committee headquarters.

Engines Slip Out Of Yards, Chug Away Without Crews

RICHMOND, Va. (UPI)—Two Atlantic Coast Line diesel switch engines slipped out of the ACL yards here today and chugged away without their crews, one for 66 miles.

The first engine stopped near the edge of Richmond on a railroad trestle over the James River.

The second engine, No. 240 of the ACL, clipped along at 25 miles an hour for 66 miles before a pursuing crew from the rival Chesapeake and Ohio Railway could stop it near the hamlet of Strathmore, Va.

There were no injuries. Primary damage was some torn yard switches which the two engines sailed through after they chugged out of the yards.

An automatic device flashed a warning to the C&O that an unscheduled train was on its tracks between Richmond and Strathmore. None was scheduled at the

'State Of Union' Talk To Be Given In Person

AUGUSTA, Ga. (AP)—President Eisenhower will deliver his State of the Union message to Congress in person Thursday, Jan. 7, the day after a new session opens.

The annual budget message will be submitted to the legislators on Monday, Jan. 18, and the economic

Uncle Sam To Take More From Check

WASHINGTON (UPI)—Starting Friday, Uncle Sam will take more from your pay check for social security taxes.

The 20 per cent hike, which will be felt by virtually every worker and employer in the nation, is designed to bring the government an additional two billion dollars a year in revenue.

It will be the fourth increase in social security taxes in the last six years. The present law calls for three more increases spread over the next nine years.

Higher taxes are needed to cover the swelling costs of the program, which now provides monthly benefit checks to 13,400,000 persons.

Beginning Friday, wage and salary employees will pay social security taxes amounting to 3 per cent of the \$4,800 in annual earnings. That compares with 2.5 per cent this year.

So if you make \$4,800 or more, your tax next year will total \$144—an increase of \$24 over this year, and \$48.50 more than the tax was in 1958.

Self-employed persons won't be hit until they file their tax returns in April, 1961. They will pay 4 1/2 per cent of their first \$4,800 in 1960 earnings, compared with 3 1/2 this year. Their maximum tax will climb from \$180 this year to \$216.

The program covers all workers except federal employees who have their own retirement systems, some state and local government workers, self-employed doctors, and irregularly employed domestic help and farm hands.

By 1969, under the present schedule, the tax rate will be 4 1/2 per cent of the first \$4,800 in annual earnings to be paid by employees and employers, and 6 1/2 per cent on the self-employed.

There's a good chance that Congress will act in the meantime to step up the tax rate however.

Indications are the lawmakers will do something to liberalize the program next year, just as they have in each of the past five election years—boosting the tax schedule to meet the added cost.

Bus Strike May Hit NY

NEW YORK (UPI)—Six million subway and bus riders depended today on a narrowing gap between transit negotiators to forestall a citywide New Year's Day strike.

Both sides took a cautious step toward settlement Tuesday, but the threat of a paralyzing walk-out to forestall a citywide New Year's Day strike.

The City Transit Authority made its first offer to the Transport Workers Union of a 9 1/2 cent an hour, two-year contract package which would cost \$12,500,000.

The union lowered its demands from a 75 million dollar package to 30 million dollars. It termed the transit authority offer "operation eyedropper," and rejected it.

"I don't see how there can be a meeting before Thursday night," Michael J. Quill, president of the TWU, said.

time, but the C&O alerted all of its trains to stay off the line.

C&O road foreman J.A. Nuttycombe and trainmaster J.F. Bickers Jr., both of Richmond, rushed to intercept No. 240, driving by automobile until they could board a C&O switch engine.

Running on parallel tracks, which border the James River, the C&O crew planned to drop behind the ACL runaway on the same track when it was possible, then board it from the rear.

But Nuttycombe and Bickers said they decided to use a long hook to smash the window of the runaway engine. Then they managed to pull the throttle and set the brake with the same hook.

The little engine ground to a halt.

It was still standing near Strathmore several hours later while the ACL tried to determine how the two engines got away from its yards here.

ic message two days later.

The schedule was set up today when Eisenhower conferred with two aides who flew down from Washington, the assistant to the President, Wilton B. Persons, and speech writer Malcolm Moos. Persons has been talking with congressional leaders about the timing of the messages.

The trio spent nearly two and a half hours this morning smoothing out language in a draft of the State of the Union message which the chief executive brought with him when he arrived here Sunday for a week's vacation.

This is the message which lays down in general terms the administration program for the year ahead. Details will be spelled out in supplementary messages later.

For example, White House press secretary James C. Hagerty said there will be a special farm message.

Today's speech polishing session out of the way, Eisenhower went back to the Augusta National Golf Club links for his fourth round in four days.

For the next two days, Hagerty said the President hopes to have his schedule clear for relaxation.

On Saturday Eisenhower will meet with Budget Director Maurice Stans and three other officials for another check on the spending program for the 1961 fiscal year which starts next July 1.

The new budget is just about in final shape. It is expected to reach a peacetime peak of around \$1 billion dollars but still avoid red ink.

Stage Drama Wins Praise

NEW YORK (AP)—A new playwright and some actors unused to stellar limelight are giving Broadway a memorable dramatic experience in "The Andersonville Trial."

The production, directed by Jose Ferrer, opened Tuesday night at the Henry Miller Theater. It blazes with emotional excitement.

The author is Saul Levitt, a recruit from TV and films. The chief roles in the large all-male company are performed by George C. Scott, Albert Dekker and Herbert Berghof, familiar on TV screens.

"The Andersonville Trial" derives from the same fearsome episode of the American Civil War which several years ago provided MacKinlay Kantor with his Pulitzer Prize novel, "Andersonville."

The theatrical undertaking, based upon court records, concentrates upon the military trial of the Confederate captain, Henry Wirz, who commanded the Georgia stockade where 14,000 Union troops died in less than two years.

In building its keen dramatic high-tension, the play explores beyond mere recital of courtroom events. Levitt seeks the motives beneath the acts of defendant and prosecutor, ponders the ethical basis of human behavior.

He and Ferrer manage these elements without ever permitting a letdown in the sustained impact. Berghof turns in a remarkably compelling portrayal of Wirz, the man sent at last to the hangman.

As the judge advocate, Scott is under some disadvantage with a leanly sinister visage and sometimes hoarse vocal manner.

Dekker is huge, beetling and resourceful as the defense counsel.

80 Convicts Lose Appeal

SALEM (AP)—Eighty state prison convicts, serving time for passing small worthless checks, failed today in an attempt to win freedom.

The state Supreme Court ruled that Raymond D. Lilly, serving two years for passing a \$5 worthless check in Lane County, must serve his sentence. This decision affects all 80 of the inmates.

Lilly argued that the 1959 Legislature, by amending the larceny laws so that anybody who steals less than \$75 would have to serve not more than a county jail sentence, intended to place the \$75 limit on the worthless check laws.

But the Supreme Court, in an opinion by Justice Kenneth O'Connell, ruled that the change in the larceny law doesn't affect the laws relating to worthless checks.

The decision reversed Marion County Circuit Judge George R. Duncan, who had ordered Lilly released.

The law under which Lilly was convicted provides for either a jail or prison sentence, regardless of the amount of the check.

Leonard Ellsworth Miller, sentenced in Umatilla County to 25 years for kidnapping, failed to win release in a habeas corpus proceeding.

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EVEN DISASTER can have its lighter side. While the weatherman was hitting the Northwest with ravaging floods from an unexpectedly high tide, snow was falling in the Midwest. More than a foot had fallen, but forecasts call for only light flurries today. However, in Chicago, these youngsters were enjoying the lighter side of winter. They seem about to let temptation get the better of their self control as they spy officer Vincent Blake wading through the season's heaviest local snowfall. — NEA Telephoto

Red Paper Blasts U.S.

MOSCOW (AP)—Pravda today commented that the U.S. government's "decision to lift the moratorium on nuclear tests on Jan. 1 is a very dubious sign of peaceful intentions indeed."

It was the first Soviet comment on President Eisenhower's announcement that the United States would continue its suspension of nuclear weapon tests after Jan. 1, but would feel free to resume such tests at any time after advance public notice.

The Soviet Communist party organ's reference to the U.S. announcement was brief and only a small part of an article by commentator V. Zhukov plugging Premier Nikita Khrushchev's proposal for total disarmament over a four-year period.

Hurricane Kills Islander

SUVA, Fiji (UPI)—The howling winds of a South Pacific hurricane killed one man and injured six in the Fiji Islands Tuesday night and buffeted ocean liners nearing this British colonial capital.

The Matson liner Monterey limped into port here today, listing slightly because of damage inflicted by winds estimated around 90 m.p.h. Glassware and furniture were broken up by the storm, but there was no report of casualties.

The storm center, which had been bearing down on the Fijis, veered off today toward Tonga. It appeared that this British island chain would escape the full fury of the hurricane, although fringe winds had already inflicted some damage.

The hurricane lashed Efate Island Monday night, flattening 60 per cent of the buildings in the island capital and 90 per cent of its food crops.

There was no immediate report of casualties. The French frigate Constance was on its way to the island to deliver relief supplies and take off 1,200 women and children, many left without shelter by the savage storm.

Labor Strife Will Continue

WASHINGTON (AP)—The government's top labor relations troubleshooter today forecast continued strife in his field in 1960.

Director Joseph P. Finnegan of the Federal Mediation and Conciliation Service said he expects plenty of labor-management grief in the new year.

"There is no sign of alleviation in the tough attitude that marked labor negotiations during most of 1959," Finnegan told reporters.

"Prophecy is a dangerous business and I certainly hope I'm wrong, but I'm gearing up for a very strenuous bargaining year in 1960."

The mediation service chief said his agency's case load of employee-union funds increased nearly 20 per cent during 1959. He said the cases were usually much tougher to settle, too, so the work load nearly doubled.

Finnegan's gloomy 1960 appraisal came as the Labor Department released 1959 data showing strike idleness worse by far than in any year since 1946.

Weather

Klamath Falls and vicinity — Partly cloudy with a few light snow showers tonight. Partly sunny Thursday. Continued cool. Low tonight 10-15; high Thursday 26-42.

High yesterday 38
Low last night 12
Precip. last 24 hours 0
Same Oct. 1 1.00
Same period last year 1.81
Low in area, Chiloquin 7

Northern California—Mostly fair through Thursday except partly cloudy in the north. Possibly a few snow flurries in the northern Sierra Nevada. Warmer in the interior tonight. Northwestern coastal winds 25-35 miles an hour from Point Reyes northward.

CRATER LAKE

High yesterday 37
Low last night 17
8 a.m. today 17
New snow — Trace
Snow depth 28
Last year 28
Skiing powder

It started snowing in the park about 8:30 a.m. today and chains were advised for travel over Highway 62 through the park and from Annie Springs to the rim. Skiing is good on the packed runs. There are no ski lifts in the park, but skiers can drive to the rim, then ski down the runs. Usually arrangements are made for one in the party to drive the car to the foot of the runs and then the skiers can drive to the top again.

Fresh Snow Cloaks State

By THE ASSOCIATED PRESS
Fresh snow cloaked vast areas of Oregon today. As much as three inches of new snow fell in mountain passes and there were lesser amounts in most of Eastern Oregon.

Forecasters said there will be light snow flurries in parts of Eastern Oregon again Thursday. No precipitation was forecast for Western Oregon.

The state Highway Department warned motorists that the fresh snow made chains mandatory in many mountain areas.

A new, three-inch snowfall was recorded at Sunset Summit. Two inches of snow fell at Government Camp, Willamette Pass, Meacham and La Grande.

An inch of new snow covered the ground at many other Eastern Oregon points including Baker, Pendleton and John Day. Bend and Grants Pass had a trace.

Forecasters said that sometime in the next five days, Arctic air will move over the state, causing unstable conditions at lower levels, resulting in light showers over most of Oregon.

Temperatures were brisk in Oregon early today. Redmond reported the low of 13 degrees.

The Weather Bureau said it will get colder tonight, with a low ranging from 5 to 24 in Eastern Oregon and 28 to 36 west of the Cascades.

Red Radio Says ROKs Hit Ship

LONDON (AP)—Moscow Radio charged today a South Korean vessel fired on an unarmed Soviet warship off the east coast of North Korea and caused casualties among the crew.

Moscow said the attack occurred in an East Korean bay Dec. 28, and also caused "serious damage" to the Soviet vessel, the hydrogeographical service ship Ungo.

Summit Talk Set May 16

LONDON (AP)—The Soviet Union today accepted the Western proposal for a May 16 summit meeting, responsible London sources reported.

Notes from President Eisenhower, British Prime Minister Harold Macmillan and French President Charles de Gaulle suggesting the May 16 date were delivered in Moscow only Tuesday to Foreign Minister Andrei A. Gromyko.

Moscow reports had indicated Premier Nikita Khrushchev was expected to accept the date.

The Western notes were a counterproposal to Khrushchev's Christmas Day letters agreeing to summit meeting in Paris. Khrushchev said the Western proposal for April 27 as a date was inconvenient, however, and suggested April 21 or May 4.

Steel Strike Remedy Eyed

WASHINGTON (AP)—The administration is considering a wide range of proposals to Congress for dealing with the threat of a renewed steel strike.

The deadlocked labor dispute in the industry continues tighter than ever. Director Joseph F. Finnegan of the Federal Mediation and Conciliation Service said today management and the United Steelworkers Union are so occupied with electioneering ahead of a scheduled Jan. 11-13 poll of steelworkers that no further government peace moves are contemplated at the moment.

The poll—on whether the workers want to accept management's last offer—is part of an admitted unwieldy Taft-Hartley law procedure for dealing with emergency strikes. With both sides seeking support for their positions in the upcoming balloting, they have no immediate incentive to seek a settlement solution.

Thus, the administration is considering steps to revamp the law's emergency strike procedures permanently as well as moves to deal with the immediate steel labor crisis.

Some 900 union members now are idled by a strike against the city's two newspapers, The Oregonian and Oregon Journal.

James T. Marr, executive secretary of the Oregon AFL-CIO, said that officials of all unions in this area have agreed to support the paper. Another meeting is to be held next month to discuss financial arrangements.

He said that facilities had been located to print 100,000 copies of a 24-page daily. "It won't be large, at least not at first, but this cannot and will not be a newspaper just for the duration of the strike," he said.

Meanwhile, federal mediator Elmer Williams reported that no progress was made at Tuesday's meeting between management of the two newspapers and the striking Stereotypers Union.

Coastal Floods Hit New England

BOSTON (AP)—Coastal New England struggled today against the ravages of Tuesday's tidal flood that caused millions of dollars damage.

Meantime, northern areas of the six-state region were digging out from under more than a foot of snow.

Hundreds of property owners visited ocean fronts and beaches today to survey the damage to summer cottages and homes — pushed over by a raging sea as if they were doll houses.

Hundreds of year 'round residents were sheltered by relatives or friends.

As the rampaging northeastern passed over the maritime provinces leaving a foot of snow on Nova Scotia, the Weather Bureau forecast more rain or snow for New England New Year's Day or Saturday.

The New England death toll stood at 10. Five died in New York State.

Communities along 30 miles of the Greater Boston shoreline suffered the brunt of the flood devastation as the Atlantic Ocean spurted a stormy anger from Maine to New Jersey Tuesday.

The highest tide in 108 years—14.3 feet—brought ocean water to a depth of seven feet on some streets and into the first floors of many homes.

The flood tides were driven by a northeast storm which battered New England for the second successive day.

More than 700 families were forced to flee their homes in the town of Hull on Boston's South Shore. Scores of women and children were plucked from first floor windows by rescuers.

Coast Guard craft and private boats were called to aid in the evacuation.

Pelting rain, sleet and hail hammered at windows. Patrolman Paul Dunn waded shoulder high in water to rescue two women and two children in Hull.

There were evacuations and rescues in Quincy, Scituate, and Cohasset on the South Shore and at Revere, Winthrop and Nahant north of Boston.

At Scituate, Mass., June Ragge was looking out her window when the ocean broke through the sea wall. "Then came tons of stone," she said, "and water cascaded across the road. My children panicked. I called police and they got us out."

Later she remembered she had not shut off the gas and electricity and an Edison Electric Co. man rowed her back to the house. On the way back to safety, a gust of wind knocked her out of the boat into the icy water. The Edison man saved her.

More than 300 evacuees were housed overnight in public buildings in Quincy.

Thousands had to seek shelter elsewhere throughout the flood area when water rose several feet in their cellars and extinguished furnaces.

At Camp Ellis, Maine, an unoccupied house washed into Casco Bay.

In New York 44,000 homes were without power when the storm snapped power lines. Two men were electrocuted by fallen wires.

At Newburgh, N.Y., a Greyhound bus bound for New York with 18 passengers aboard skidded and overturned on the New York Thruway.

Scores of parked cars suffered sea water damage when they were

flooded up to window height along streets and in industrial parking lots on the Greater Boston waterfront.

Mercantile establishments reported hundreds of thousands of dollars in damage loss when stock stored in cellars became soaked.

Minnesotan Places Name On Ballot

WASHINGTON (AP)—Sen. Hubert H. Humphrey (D-Minn.) today plunged officially into the race for the 1960 Democratic presidential nomination.

Humphrey announced at a news conference that his name will be entered in presidential primaries in Wisconsin, the District of Columbia, Oregon and South Dakota.

Humphrey indicated he will campaign primarily on foreign policy and national security issues. He aimed immediate barbs at the Eisenhower administration.

"We can no longer tolerate a government that reacts instead of taking the initiative," he said in a statement handed to reporters.

"We cannot afford to have an administration that spends all of its time repairing damage instead of building solid, long term programs."

Humphrey became the first among the Democrats most prominently mentioned as presidential possibilities to get officially into the race.

Sen. John F. Kennedy (D-Mass.) returns Saturday from a Jamaica vacation and is expected to confirm then that he also seeks the prize.

These early-bird announcements seem unlikely to be matched by a trio of other major potential contenders for the nomination.

Adlai E. Stevenson, twice the party's top nominee, Senate Democratic Leader Lyndon B. Johnson of Texas and Sen. Stuart Symington (D-Mo.) are expected to continue to play it cozy.

Gov. Edmund G. (Pat) Brown of California narrowed the field with an announcement Tuesday he will take no active part toward becoming the serious candidate he had come to be regarded in some quarters.

But Brown held firmly to his resolve to keep other aspirants out of the California primaries. He intends to be his state's favorite son candidate and to head the state's 81-vote delegation to the Democratic national convention. He said he hasn't made up his mind whom he will support. He also said he won't take second place.

Humphrey said in an interview he doesn't think Brown's announcement changes the situation with regard to the coveted California bloc. This view was echoed by a Kennedy spokesman.

"I think all of the Democratic hopefuls intend to respect the governor's desire to be a favorite son," Humphrey said. "If one should go in against him, of course, it would become a free-for-all."

Humphrey is understood to have decided that he will not contest Kennedy in the March 8 New Hampshire primary. He has made it clear, however, that he would welcome a battle with the Massachusetts senator in the April 5 Wisconsin primary.

Shooting Hours

DUCKS, GEESE
OREGON
December 31
OPEN 7:35 CLOSE 4:45

CALIFORNIA
December 31
OPEN 7:34 CLOSE 4:43

Rose Bowl Weather

PASADENA, Calif. (AP)—Mild weather, with temperatures in the high 60s, is in prospect for the Tournament of Roses parade and the Rose Bowl football game New Year's Day. The weatherman said today that no rain is in sight and skies probably will be clear.

Closer Look Scheduled Of Business Deductions

WASHINGTON (AP)—Income tax men are going to take a closer look at entertainment deductions and business expenses claimed by corporations and small-businessmen.

Dana Latham, commissioner of internal revenue, said Tuesday more detailed records on such deductions will have to be kept starting Jan. 1.

Latham said tighter reporting is needed because there is a growing tendency by corporations, partnerships and small-businessmen to claim tax deductions for the personal expenses of officers and employees.

Many taxpayers have complained about such lavish expense accounts, Latham said. He added this could encourage taxpayers to try chiseling if they think others are getting a better break.

The more detailed reporting requirements will not apply to 1959 tax returns filed early next year, but will become effective after Dec. 21 for future returns.

Latham emphasized that individual taxpayers will not be burdened with any new accounting chores and that no one will have to do any retroactive bookkeeping. Detailed accounting will not be required for such small items as tips and taxi fares.

Corporations will have to report the salary, expense allowances and any other compensation paid to each of their 25 highest-paid officers. This also will apply to partnerships.

Individuals owning a business will have to report the salaries, expense accounts and other compensations of the proprietor and his five highest-paid employees—if the employees receive \$10,000 or more yearly.

Corporations, partners and individual proprietors will have to indicate whether they claim an expense deduction for such properties as beach resorts or hunting lodges.