

# "DENNIS THE MENACE"



"HEY! LEAVE HIM UNDER THERE! HE'S HIBERNATING!"

## Grazing Fee Increase Supported By Official

WASHINGTON (UPI)—An assistant secretary of interior told a congressional committee today that western farmers would not be "pushed off the brink" if fees for grazing on public lands were increased by 50 per cent.

John A. Carver Jr. testified that "we must not go into the 1963 grazing season with 1962 rates." He appeared before the House Interior Committee, which is considering public land problems facing the new Congress.

Another official, Director Karl Landstrom of the Bureau of Land Management, said a new schedule of grazing fees probably would be approved by Secretary Stewart L. Udall in a few days.

Currently, grazers pay 19 cents a month per cow, 19 cents a month for five sheep, and 38 cents a month per horse for the privilege of grazing their animals on public lands.

The big complaint about raising fees, Carver said, is its effect on smaller owners.

"But an operator with a hundred cows and five months use now pays less than \$100 for the privilege; one with a thousand pays less than \$1 a head for a five-month season now."

"Neither one of them is going to be pushed off the brink by an increase as moderate as 50 per cent."

"And we can't ask Congress for 10 or more million dollars for soil and moisture and other range improvement programs while the users are paying in only \$3 million."

## Make Work Plan Okayed By British

LONDON (UPI)—Prime Minister Harold Macmillan used a parliamentary vote of confidence today to help pump new life into Britain's sagging economy.

Macmillan's Conservative government, in a pre-election move, announced Monday it would spend \$57.4 million during the coming months to boost employment in the work-starved northeast and Scotland.

The Conservatives easily defeated a censure motion by the opposition Labor party on Macmillan's economic policies. The vote, along party lines, was 317-236.

The victory was the second for the Conservatives in recent days. Last week they defeated a Labor motion attacking the Nassau agreement by which Britain scrapped Skybolt missiles in favor of U.S.-supplied Polaris missiles.

In the face of a commanding government majority in Commons the Laborites had no hope of winning the votes, but the motions were part of a series of pre-election gestures by which they hope to regain control of the government.

Empty steel drums are much in demand in the Virgin Islands. Cut to various lengths, they wind up as musical instruments, in steel bands.

# Veterans' Loan Program Makes Profit For State

(Editors' note: A new look at some of Oregon's most respected money programs has been proposed in a report issued by the legislature's own fiscal officer. Last of three articles.)

By ANN H. PEARSON  
United Press International  
SALEM (UPI)—From a modest start in 1945, Oregon's veterans' loan program has grown into a money-maker that is turning a handsome profit each year.

Legislative Fiscal Officer Kenneth Bragg says the legislature now may want to take another look at the program—this time with an eye to siphoning some of the profit back into the state's general fund.

Voters passed a constitutional amendment authorizing tax money to start the program in 1945. The legislature appropriated \$8,017,905 in general fund revenues from 1945 to 1950 to get it going. With the initial appropriation as a floor, the veterans agency started selling bonds to get the money to lend to veterans for homes and farms.

Since then, the agency has loaned \$335 million to 41,334 veterans.

The agency pays just over 3 per cent interest on the bonds it sells. It gets back at least 4 per cent on loans to veterans.

**\$10 Million Reserve**

The difference has enabled the agency to build up a reserve of about \$10 million. The profit in fiscal 1961-62 was \$1.3 million.

"The legislature might wish to consider a constitutional amendment which would permit the orderly transfer of surplus funds from the war veterans' bond sinking fund to the general fund," Bragg says.

At present the revenues are just piling up in the loan fund.

Bragg said sufficient reserves should be left in the fund to insure the continuing financial integrity of the agency's bonds.

Bragg's proposal would, in effect, put the state into the money-lending business on a profit-making basis.

It could provide a biennial source of revenue.

His suggestion is in addition to a separate proposal for the general fund to recapture the remaining \$5.5 million of the money it gave the agency to get started in the first place. That is a one-shot proposal. Its legality is being studied.

Both Bragg and Veterans' Affairs Director H. C. Saffeld note the veterans' loan program is booming business.

"When the program started," says Saffeld, "it took a year to

loan \$1 million. Now we do it in the years ahead."

The agency last month sold \$25 million in bonds to give it money to lend this year. So far, only slightly more than 20 per cent of the eligible World War II and Korean War veterans in Oregon have borrowed from the fund, leaving more than 154,000 eligible.

In support of his suggestion, Bragg notes that many of the veterans programs now are being supported out of the general fund. The biggest is the veterans' bonus program. The fund is being asked for \$3.8 million to repay bonds for the program in the 1963-65 biennium.

supported out of the general fund. The biggest is the veterans' bonus program. The fund is being asked for \$3.8 million to repay bonds for the program in the 1963-65 biennium.

# In The Legislature

By GEORGE C. FLITCRAFT

Unquestionably, the biggest problem facing the 1963 legislature is the matter of balancing the budget. In order that this may be put in its proper perspective, it is in order that we review recent fiscal history.

On July 1, 1957, the surplus on hand in the state's general fund was \$2 million dollars. By July 1, 1959, this had been reduced to about \$2 million. During the 1959-61 biennium, the surplus remained constant and again on July 1, 1961, we still had over \$2 million dollars on hand.

During the current fiscal period (July 1, 1961, to June 30, 1963), latest estimates show that we shall spend a total of \$358,000,000 and that on June 30, 1963, we will have consumed the entire \$2 million dollars, leaving us with no surplus on hand!

These figures apply only to the general fund and do not include "dedicated" funds such as the gasoline tax money allocated to the highway department.

During the current biennium our taxes will total about 260 million dollars with the revenue for the balance of our expenditures coming from other sources (the quarter revenue is one example) and using the \$2 million dollar surplus we had.

Reduced to its simplest terms, we have been spending more than we have been collecting and now our "savings" are all gone.

I think you can see that if we are to maintain our present level of state services and support education with state funds to the extent considered necessary, we have no choice—except to raise taxes.

Although the federal government is able to spend more than it collects, our state constitution forbids deficit financing and I believe that this is as it should be. I cannot subscribe to the theory of constantly spending more than you earn.

It appears then that ours is not a choice of whether or not to pass tax legislation, but rather—how much and which method.

At the time I write this, two major tax proposals have been introduced into the House, and there are at least two more scheduled to make their appearance soon. Of these four, three concern income taxes and one is a sales tax measure.

Within the limits of space permitted for this column, I want to discuss with you the important details of each of these tax plans. We here at the legislature are very much interested in your thoughts on this important subject. Letters from constituents are carefully read by all of us.

Comparing various tax bills is not a simple chore. Each measure is calculated to raise a different amount of revenue, based to some extent on the sponsor's idea as to how much is really needed for the state. Therefore, a direct comparison between two plans as to effect on any specific individual is not always fair. In my description of these tax plans, I shall attempt to set forth the basic philosophy involved, indicate the total amount of revenue anticipated and give a few specific examples to demonstrate the principles of the measure.

**House Bill 1085**

This is the governor's income tax bill, frequently called the "net receipts" tax. Its sponsors indicate that it will "broaden" the tax base by requiring many people who now pay no income tax to contribute to the state's general fund. It is estimated that it will bring about 240 million dollars into the state coffers during the next two-year period.

It should be noted here that

the present income tax law is expected to produce 19 million during the current biennium. The tax people here in Salem estimate that if no change is made in the present income tax law, we could anticipate about 200 million during the next fiscal period (1963-65), assuming that Oregon's economy continues to grow at an average rate and there is no major economic reversal. By subtracting 200 from 240, we arrive at the \$2 million dollar increase that the proponents of the plan anticipate it will produce.

A major change in Oregon income tax practice embodied in H.B. 1085 is the levying of a one per cent tax on total "net" income. (The bill makes no change in the method of determining "net" income—the usual business expenses are deducted). However, there are no credits against this portion of the tax.

Another striking change is the elimination of "personal deductions" such as interest, residential taxes, federal income taxes, casualty losses, gambling losses, medical expenses and charitable contributions.

In lieu of the personal \$600 exemptions and deductions, a credit of \$20 against a portion of the tax is allowed for the taxpayer, a spouse and each dependent. This \$20 credit cannot be taken against the basic one per cent tax.

The credits for old-age, blindness and contributory support are also repealed.

Since personal deductions and exemptions have been eliminated, the "bracket" rates have been materially lowered. Here is the complete schedule:

- 1 per cent of the total net income PLUS
- 2 per cent of the first \$2500 of net income
- 3 per cent of the second \$2500 of net income
- 4 per cent of the third \$2500 of net income
- 5 per cent of all income in excess of \$7500

The advocates of H.B. 1085 point out that in addition to broadening the base of state support, it is a simple plan, easily understood.

The opponents of the measure object to taxing the students and others with low incomes, claiming that in some cases, the tax will not be sufficient to offset the cost of processing them.

At the state capitol this week were Leland Chayne, Ed Geary, Francis Mathews and Con Borsting.

Among those attending the governor's Prayer Breakfast were Dr. Donald Bauer, Bill Grimes, Judge Robert Kerr, Reuben Larson, Loren Palmerton, Alex Smith and Bill Sweetland.

"HEY! LEAVE HIM UNDER THERE! HE'S HIBERNATING!"

## Grazing Fee Increase Supported By Official

WASHINGTON (UPI)—An assistant secretary of interior told a congressional committee today that western farmers would not be "pushed off the brink" if fees for grazing on public lands were increased by 50 per cent.

John A. Carver Jr. testified that "we must not go into the 1963 grazing season with 1962 rates." He appeared before the House Interior Committee, which is considering public land problems facing the new Congress.

Another official, Director Karl Landstrom of the Bureau of Land Management, said a new schedule of grazing fees probably would be approved by Secretary Stewart L. Udall in a few days.

Currently, grazers pay 19 cents a month per cow, 19 cents a month for five sheep, and 38 cents a month per horse for the privilege of grazing their animals on public lands.

The big complaint about raising fees, Carver said, is its effect on smaller owners.

"But an operator with a hundred cows and five months use now pays less than \$100 for the privilege; one with a thousand pays less than \$1 a head for a five-month season now."

"Neither one of them is going to be pushed off the brink by an increase as moderate as 50 per cent."

"And we can't ask Congress for 10 or more million dollars for soil and moisture and other range improvement programs while the users are paying in only \$3 million."

## Make Work Plan Okayed By British

LONDON (UPI)—Prime Minister Harold Macmillan used a parliamentary vote of confidence today to help pump new life into Britain's sagging economy.

Macmillan's Conservative government, in a pre-election move, announced Monday it would spend \$57.4 million during the coming months to boost employment in the work-starved northeast and Scotland.

The Conservatives easily defeated a censure motion by the opposition Labor party on Macmillan's economic policies. The vote, along party lines, was 317-236.

The victory was the second for the Conservatives in recent days. Last week they defeated a Labor motion attacking the Nassau agreement by which Britain scrapped Skybolt missiles in favor of U.S.-supplied Polaris missiles.

In the face of a commanding government majority in Commons the Laborites had no hope of winning the votes, but the motions were part of a series of pre-election gestures by which they hope to regain control of the government.

Empty steel drums are much in demand in the Virgin Islands. Cut to various lengths, they wind up as musical instruments, in steel bands.

## OUR ANCESTORS



"I'll go along with building the castle up there—but you say you want a kidney shaped moat?"

## Reds Protest Friendship

MOSCOW (UPI)—The Soviet Union handed lengthy protest notes today to the West German and French ambassadors here containing a toughly worded attack on the recently concluded Bonn-Paris friendship pact.

Soviet Foreign Minister Andrei Gromyko summoned both envoys to deliver the notes. There was no official information on their contents.

But diplomatic sources said they were lengthy, running to 20 typewritten pages, and contained passages worded in "very strong terms."

The notes were believed to concentrate on the military aspects of the Paris-Bonn accord which provides for exchange of military research data, joint military training, and regular joint general staff consultations.

Since West German Chancellor Konrad Adenauer and French President Charles de Gaulle concluded the agreement, Russia has opposed it as a revival of West German militarism and a military threat in Europe.

Until the Civil War, peanut growing and eating in the United States was confined to a small area of eastern Virginia.

## Cupid's Headquarters

Special Valentine Paper Products!

- Dollies
- Honeycomb Hearts
- Napkins
- Table Covers
- Centerpieces
- Plates, Cups
- Decorations

Valentine Cards For All!  
and Valentine Gifts galore

- Photo Albums
- Stationery
- Travel Books
- Bridge Accessories
- Pencils, Pens

**Jones'**  
OFFICE SUPPLY  
629 Main

TRY IT AT THE LUCCA CAFE

World Famous-Delicious BREADED CHICKEN

PIZZA PIE  
Real Italian Style

Orders to Go, Too  
LUCCA CAFE  
PHONE TU 4-3276  
2354 S. 6th

# PENNEY'S

ALWAYS FIRST QUALITY

4¢ each

look what 4c buys in Penney's

## NOTIONS SPECIAL!

- Hair Combs
- Crayons
- Shoes Laces
- Hair Curlers
- Hat Pins
- Sewing Thread
- Safety Pins
- Thumb Tacks
- Razor Blades
- Make-up Mirrors
- Elastics
- Stationery Items
- Hooks & Eyes
- Spangles
- Rain Bonnets
- Needles, Pins
- Machine Needles
- Ceramic Items
- Hair Nets
- Plastic Boxes

and lots more—hurry in to Penney's and save!

# PENNEY'S

ALWAYS FIRST QUALITY

OPEN DAILY 9:30 to 5:30  
TAKE ELEVATOR TO ALL FLOORS

EASY-CARE MARQUISSETTE CURTAINS  
2.99 48x81 3.99 70x81  
5.99 96x81 8.99 135x81

SCREEN PRINTED COTTON TERRY DISH TOWELS  
3 FOR 88¢

DuPont Dacron 100% polyester fiber. No ironing, beautiful and durable, resists wrinkles, sun resistant. Shrinkage less than 1%.

Thirsty towels in a generous 17"x19" size. Gay kitchen prints. Make dishes and glassware gleam... silverware shine!

Colonial Spread Special! Heavy Loopweave Cotton big 80x108 twin, big 96x108 full 5.88

Remember when this style cost \$20? Now Penney's has the features you want for just 5.88! Fine quality, reversible, gracefully fringed, even machine washable in lukewarm water! White, antique white.

DOWNSTAIRS BALCONY DOWNSTAIRS

# ANNUAL SPRING

SPECIAL! GIRLS GET COTTON SET FOR SPRING

2 sizes 7 to 14 1 size 7 to 6x

Romp in gay print tops, collared or collarless. Trim surface interest pants go zipped for big girls, boxer waist for little ones. Stock up at this price!

COMFORTABLE LIGHTWEIGHT MEN'S BOOTS

366

Whirl of pleats in Arnel® tricotate sharkskin. Perky blue, green, white, maize. Petite 8 to 16, average 8 to 18.

Rich butternut glove leather and under-wedge oil-resistant cushion crepe sole, cushion insole! Full grain glove uppers!

SECOND FLOOR SECOND FLOOR DOWNSTAIRS

# BARGAIN DAYS

EASY-CARE UNIFORM VALUES!

10-20 14 1/2-24 1/2 5.66

Blended Dacron® polyester and cotton and 100% Dacron® polyester. Three sensational styles to choose from.

SECOND FLOOR

SUPER-VALUE PENNY-AN-INCH COTTON GROUP

36¢ yard

Bolts and bolts at a terrific low price! Everglaze®, embossed, crease-resistant, yard-dyed solids, prints!

BALCONY

FLOWERS BLOOM ON FASHION TWO-PIECER 3.88

Sharkskin weaves, slub weaves in more colors than we can list. Cotton, machine washable, too. Slim skirt, blouses in several styles, all Chanel inspired. 8 to 18.

CHARGE IT!

SECOND FLOOR