

EVERYBODY'S MONEY

Spring 65

A MAGAZINE FOR CREDIT UNION MEMBERS

WOOD AVE. _____
 SHARES WITHDRAWAL _____
 REGULAR \$540 \$50.00
 CHRISTMAS _____
 MORTGAGE ESCROW _____

FOR MARRIED PERSONS FILING SEPARATE RETURNS, USING 18-PERCENT STANDARD DEDUCTION - PAGE 7
 to the end of each column and find the column headed by the number on the opposite to

And the number of children, 0-3 4 or more 4 or more 4 or more

AMOUNT OF CHECK \$100.00

CHICAGO

PLEASE DETACH THIS STUB BEFORE

Form 1048A INDIVIDUAL INCOME TAX RETURN (12 YEAR SLIDING TOTAL INCOME)



Other Taxable Income, Capital Gains and Dividends
 Federal Income Tax
 State and Local Taxes
 Total Income (Add lines 1 and 4)
 Total Federal Income Tax (Use Tax Table or Form 1041)
 Total Federal Income Tax (Use Tax Table or Form 1041)
 Total Federal Income Tax (Use Tax Table or Form 1041)

OCT 5 1964
 PEOPLES BANK & TRUST
 INDIANAPOLIS

If your income was \$3,000 or more, you must compute your tax. However, if your income was less than \$3,000, you may have the Internal Revenue Service compute your tax by checking lines 8, 10, and 11. If you compute your own tax, any balance (from 10) is full with return to your District Director.

U.S. TREASURY DEPARTMENT - INTERNAL REVENUE SERVICE

CHECKS	CHECKS	DEBIT	CREDIT	BALANCE
		1,458	1,458	0
		1,476	1,476	0
		1,500	1,500	0
		1,530	1,530	0
		1,560	1,560	0
		1,578	1,578	0
		1,596	1,596	0
		1,614	1,614	0
		1,632	1,632	0
		1,650	1,650	0
		1,668	1,668	0
		1,686	1,686	0
		1,704	1,704	0
		1,722	1,722	0
		1,740	1,740	0
		1,758	1,758	0
		1,776	1,776	0
		1,794	1,794	0
		1,812	1,812	0
		1,830	1,830	0
		1,848	1,848	0
		1,866	1,866	0
		1,884	1,884	0
		1,902	1,902	0
		1,920	1,920	0
		1,938	1,938	0
		1,956	1,956	0
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		5,826	5,826	0
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		5,880	5,880	0
		5,898		

Truth In Lending

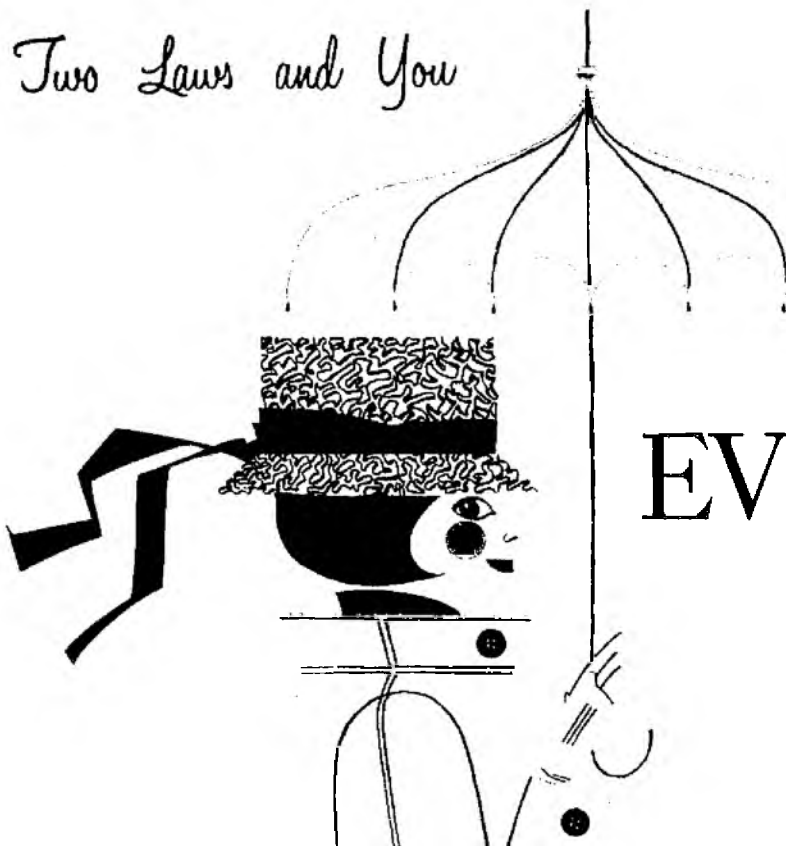
We need a law now that takes out of the money lending business the mix-up about how much you pay to borrow money from most lenders. Such a law should set up a yardstick by which to measure one lender's terms with another's. Such a law is in the Truth in Lending bill which Congress will soon consider. It deserves your wholehearted support. In Canada, communicate with your Member of Parliament about a similar bill in the House of Commons.

Truth In Packaging

And we need a law that takes out of the places where you shop the mix-up in package sizes and weights. Such a law would help you spend your dollars to *your* better advantage. Such a law is in the Truth in Packaging bill.

BOTH PROPOSED LAWS carry out the aims of this magazine: to give you information about money management and consumer services; to guide you to wise buying; and to help you sidestep the traps you might fall into amid the confusion of thousands of products and the claims for them.

Two Laws and You



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SPRING 1965/VOLUME 5 NUMBER 1

EVERYBODY'S MONEY

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Circulation this issue over one million Cover by Richard Paynter

Congresswoman Leonor K. Sullivan of Missouri made an eloquent speech on behalf of the American consumer in the House of Representatives on January 26. She replied to a Look magazine article by Mr. Charles G. Mortimer, chairman of General Foods, entitled "Let's Keep Politics Out of the Pantry," in which he argued against the Truth in Packaging bill. We wish to present a consumer point of view on the bill and Mrs. Sullivan's concluding statements do this very well. Lack of space prevents reprinting the entire speech.

Politics in the Pantry

Mr. Speaker, I have outlined many of the great glaring gaps in our consumer legislation, and the kind of legislation which is necessary to close those gaps. This legislation can be passed only if a great many more citizens actively "play politics" as the chairman of General Foods calls it, on these important issues. But this is no game. Politics is a serious business, because the stakes of political action—or inaction—are high.

The battles are not won overnight. Sometimes it takes years. But often results are won even before the legislation is passed. For instance, the food processors do not like Senator Hart's bill

on packaging—not one bit; but his introduction of the bill and the hearings he conducted in support of it, did a great deal to bring about voluntary reforms in food packaging by the processors themselves.

Many consumers have now begun to do the same thing I do: that is, try to favor those grocery store products which are packaged in pounds or half pounds or quarts or similar standard sizes in preference to competing products which come in sizes such as 7-5/16 ounces, or 19-31/32 ounces. I just think it gives the consumer a better basis for judging comparative values, particularly on the two-for-so-



Mrs. Sullivan is the author of a bill in Congress to close loopholes in the federal food, drugs, and cosmetics laws. She is one of five House members on the National Commission on Food Marketing.

much deals, and I show my appreciation to the manufacturer accordingly. So far as this one consumer is concerned, and I think there are now many like me, it is good business for a firm to package its wares in containers using easily understood net weights.

Senator Hart's hearings have made many consumers aware of this method of fighting back, and increasing numbers of manufacturers are therefore paying heed — getting the message — changing their packaging practices accordingly.

But in many of the situations I have described today—involving the safety of the consumer

rather than pennies or nickels on a grocery item—we cannot depend merely upon the manufacturer's sense of intelligent self-interest to provide us with the protections we should have. We have had consumer protection laws for many years, but the laws always need updating, because the products they regulate are constantly changing in composition and in manufacturing technology.

As consumers we are far from helpless in solving these problems if—if, that is—we put more, not less, politics into the pantry and into our strategy for achieving consumer protection.

(From the *Congressional Record*)

Americans spend millions of dollars every year on vitamin D supplements and vitamin D-enriched foods which are unneeded and may actually prove hazardous to health.

The U.S. Food and Drug Administration (FDA) is looking into the question and expects to make some recommendations regarding vitamin D standards in the not too distant future. The FDA has asked the American Academy of Pediatrics—in the light of recent medical discoveries—to determine whether adding vitamin D to more than one food is dangerous. (In Canada vitamin D may be added to margarine and infant formula foods, under regulations of the Food and Drug Directorate.)

The inquiry grew out of information recently made public by Dr. Robert E. Cooke, chief pediatrician of Johns Hopkins Hospital in Baltimore, linking certain types of mental retardation with excessive intake of vitamin D by certain pregnant women.

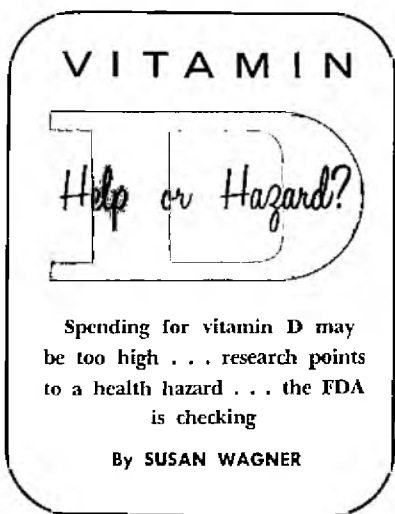
Dr. Cooke and other medical authorities believe that excess vitamin D can also produce mental confusions and other distresses in adults. They trace the problem back to the 1930's when vitamin D in milk was recommended to prevent rickets and bow-legs in children.

Since then, however, pregnant women have been urged to drink large quantities of milk and to eat bread, cereals and margarine

fortified with vitamin D. That is what can be dangerous.

Dr. Cooke said pregnant women should review with their doctors the amounts of vitamin D they consume. He criticized fortification of bread and cereals with vitamin D "because we feel this represents a definite health hazard."

"Women need vitamin D dur-



ing pregnancy in order to supply calcium to the gestating infant," he told *Everybody's Money*, "but if the mother gets too much the infant also gets too much and postnatal defects and illnesses can result."

Milk might be properly enriched with vitamin D, Dr. Cooke said. But he saw no reason for the enrichment of bread, breakfast cereals, oleomargarine and other foods.

"We seem to be using vitamin D as a selling device," he said.

"The baking industry has recently been backing away from excess enrichment of foods but the cereal makers are still adding vitamin D and one producer is enriching his product by as much as 400 units an ounce."

The recommended maximum vitamin D requirement is 400 units a day—about the amount contained in one quart of milk. And Dr. Cooke believes that most people get adequate amounts of it in their normal diets.

Americans spend about one billion dollars each year on useless cures, mechanical gadgets, food fads and other quack devices. Of this, some \$350 million, a big share of which is self-prescribed, goes for over-the-counter vitamins, according to the American Medical Association.

"Since vitamin D for pre-natal consumption and enriched food is the major expenditure for vitamins," Dr. Cooke commented, "it undoubtedly contributes the major amount to the excess spending."

Vitamin D, the so-called sunshine vitamin, acts in the intestines to release calcium into the blood stream which is then deposited in the bones and other tissues thus preventing rickets. It is necessary to the proper development of bones and teeth.

Individual tolerances to large amounts of vitamin D vary. The danger is when vitamin D piles up in the body. It is not readily expelled and remains in the intestines and continues to supply

calcium to several vital organs.

In the past two years, Dr. Cooke said, 13 infants and children suffering from mental retardation have come under observation and "in at least some their condition may be due to or aggravated by vitamin D-enriched foods."

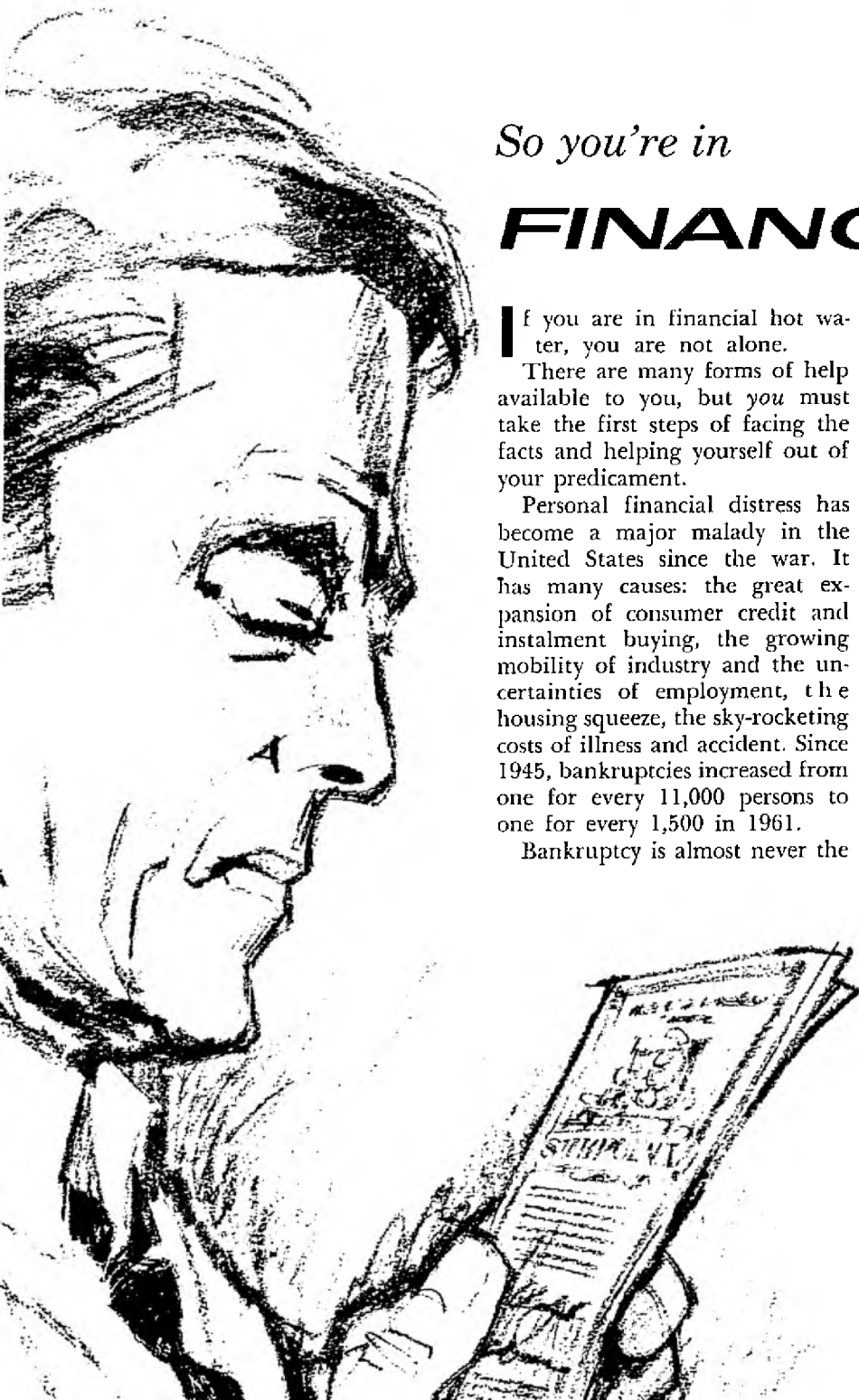
"Some pre-natal vitamin D capsules give as high as 3,000 to 4,000 units a day," Dr. Cooke said, "and they are very, very hazardous."

"Last year," Dr. Cooke said, "we had an increasing awareness that we are dealing with a new clinical problem which may well be man-made—excessive accumulation of calcium within the body and perhaps a hypersensitivity to some vitamin D." He stressed that this does not harm most persons nor the vast majority of women and their babies.

The best way to buy vitamins and minerals is in the packages provided by nature—vegetables, fruits, milk, eggs, meats, fish and whole grain. The normal American diet now includes such a variety of foods that most people naturally get an ample supply of the essential food constituents.

The FDA believes and has often stated that the public should distrust any suggestion of medication with vitamins or minerals except when a physician prescribes them. [END]

Susan Wagner is a free lance writer. As a reporter for United Press International in Washington, she covered the Health, Education and Welfare department.



So you're in

FINANCIAL HOT WATER

If you are in financial hot water, you are not alone.

There are many forms of help available to you, but *you* must take the first steps of facing the facts and helping yourself out of your predicament.

Personal financial distress has become a major malady in the United States since the war. It has many causes: the great expansion of consumer credit and instalment buying, the growing mobility of industry and the uncertainties of employment, the housing squeeze, the sky-rocketing costs of illness and accident. Since 1945, bankruptcies increased from one for every 11,000 persons to one for every 1,500 in 1961.

Bankruptcy is almost never the

solution for the problem of personal financial distress. In many cases, bankruptcy affords no relief whatever, and in some the bankrupt is worse off than before. Even where some relief is obtained, most personal bankrupts go right on with the careless financial habits that caused the trouble to begin with, and head straight for more.

Unemployment and illness are factors in many bankruptcies, but not in the majority of cases. Income level is not a factor. Families with incomes well up in five figures are frequently in financial hot water, just as many families with very low incomes manage to stay financially healthy. In nearly all such cases, financial well-being is a matter of careful planning and budgeting, prudent buying, adequate provision for contingencies.

Financial well-being is an attainable goal for nearly every family now in financial distress. It requires effort and discipline, but the rewards are worth this cost.

Moment of Truth

The "moment of truth" comes when creditors begin tying up wages and bank accounts and repossessing mortgaged cars, furni-

By Fred Gram



Fred Gram writes on family finance management for credit union and cooperative publications. This article is based on studies made for the (Minnesota) State Capitol Credit Union.

ture, appliances, and the like. Often the problem is greatly aggravated by debtor's pyramiding of loans wherever he could get them.

At this point the debtor's job may be in jeopardy. His health and that of his family may be affected by the experience. The family is at the point where something has to be done.

The right thing to do is to analyze the facts, coldly and hard-headedly. What are the causes of the predicament? Unemployment? Illness? Accident? Family conflict? Property losses? Bankruptcy might be a proper solution in such cases, after consultation with a skilled counselor.

But, mismanagement of finances is the common cause of financial distress. The remedy has to begin at home. How? First, reconstruct the family spending pattern over the past year or so. Next, inventory all resources and all obligations. Then, project a budget that provides for substantial payments on obligations.

Obtain advice from a credit union counselor on the details of these steps. The facts should be examined and analyzed by the counselor.

(Please turn page)

(If family maladjustment or incompatibility is involved in the financial problem, consult a local Family Service agency. Some provide psychological counseling at fees based on ability to pay. In other cases, the agency may be able to recommend a counselor.)

The credit union counselor will advise numerous steps to ease the financial stress: "trading down" the automobile for an older, debt-free model; or selling the home and moving to less expensive shelter. He will also provide expert analysis of the budget, and point out relatively painless economies.

These steps are only preliminary but essential to an orderly and permanent solution of the problem. But how can the creditors be satisfied, and the debt paid? A credit union consolidation loan, if possible, is the best solution. Unfortunately the family has probably already exhausted this form of credit. The counselor will go as far as he can with such a loan, and will also help, where possible, in persuading creditors to scale down certain obligations in consideration of the fact that the debtor is assuming an interest cost in order to pay them off. [Some states do not permit advising on the scale-down of debts.—Ed.]

Pro-rating Debts

1. If a loan is not possible, try do-it-yourself pro-rating. Many a debtor has worked himself out of a financial predicament by taking his creditors into his confi-

dence, promising them a schedule of payments, and carrying it out to the letter. If all creditors agree to the plan, it is workable. But if even one creditor cannot be satisfied, the debtor is in danger of legal action that would prevent his carrying out his commitment to the others.

2. Credit union pro-rating. Some creditors will accept this kind of plan who might not be willing to accept the other. The credit union can also protect the plan by taking a wage assignment and disbursing all of the debtor's earnings, thus forestalling any possible garnishment action. Some credit unions do some pro-rating.

3. Commercial pro-rating. The debtor who turns to this method needs to be wary. Most states do not regulate this business, and some exceedingly unethical practices have grown up. The unregulated pro-rater can charge whatever he wants to, can collect his fee in advance, before giving any service, and can terminate the service without returning the unearned fee. Often he takes no responsibility for satisfying the creditors as to the plan, thus leaving the debtor subject to continuing legal actions and other harassments. Some of the least ethical pro-raters have the most formidable reputations. So the debtor needs to seek good advice in choosing one. The best sources of advice are the credit union and the Better Business Bureau.

The ethical pro-rater will pro-

vide his client with a written contract that will include the following agreements:

1. The fee to be charged (12.5 per cent is regarded as reasonable.)
2. That after modest preliminary expenses the fee will be collected as earned, as a percentage of the money disbursed.
3. That the pro-rater will obtain the agreement of the creditors to the plan before it goes into effect.
4. That if the debtor defaults on the payments, the plan will be canceled and the creditors notified.

Avoid pro-raters who fail to cover these points in a written contract.

The Federal government provides a pro-rating service through the bankruptcy courts, known as the "Wage Earner Plan." This service varies in quality and effectiveness from district to district, but it is costly and frequently unsatisfactory. Legal fees of \$150 to \$250 are allowed for the most perfunctory services, and costs often run as high as 30 to 40 per cent. The one advantage to the debtor is that during the course of the plan he is under court protection against actions by creditors.

The experience of dealing successfully with a catastrophic debt problem holds many rewards and satisfactions. Where the problem has been complicated by family incompatibility, this conflict has been resolved or brought under

control. The family has learned to work together in planning its expenditures and savings programs. It has learned to keep the budget belt tightened after the debts are paid, in order to build reserves for future contingencies, security, and purchasing power. It has learned the value of sales resistance.

The rewards are great: in the feeling of security and well-being; in freedom from anxiety; in heightened respect and standing in the business community; in greater purchasing power for each dollar of income; and in the knowledge that the lessons of sound family finance have been passed on to the children. The experience has been a tough one, but the results have been worth the effort. [END]

If you want to live within your income

- Avoid high-cost credit
- Shy away from "easy" payment plans
- Resist sales pressures
- Stay away from revolving credit and charge account purchases
- Don't be an impulse buyer
- Watch for sales
- Bargain on your purchases—don't follow suggested retail prices
- Buy foods in season
- Purchase by grades and net weights
- Before making any major purchase, see your credit union.

With Spring bursting out all over and stores brimming with vivid, luscious fabrics, a woman's fancy is pretty apt to turn to her sewing machine. That fantastic invention that can stitch up a piece of cloth into a "creation." Or a little "thing" to wear to work or to a kaffeeklatsch. Or new clothes for the kids.

Sewing machines can do just about everything from embroidering to plain simple sewing. With the touch of the knee or the tip of the toe, the guidance of gentle fingers, they can do decorative sewing, overcast seams, blind stitch hems, darn, sew on buttons, and make buttonholes.

There are more different models on the market than you can shake a tapeline at: zig-zaggers (swing needle); straight stitchers, portables, consoles, American, American-made in Britain, Japanese, Swedish, Swiss, German, Italian, Indian, Czechoslovakian. And there is just as wide a range in price from \$35 or so all the way to \$350.

Let's say you are in the market. And you have a fairly good idea of what you want. (If it's only for mending or now-and-then sewing, have you thought of renting or borrowing?) The best way to get the most for your money is to shop around. Ask questions and take plenty of time making your selection. Don't be swayed by the attractive cabinet. It's the sewing machine you want. And service.

Try out each model on an assortment of materials. Does the motor run smoothly? Do you feel a vibration? Is the tension easy to adjust, the bobbin simple to fill? Does the presser foot glide easily over pins? Over several thicknesses? Does the light shine on the sewing? Is there plenty of room between the "bed" and the "arm" to handle bulky fabrics?

Don't hesitate to admit unfamiliarity with sewing language such as cam, bight, throat plate, feed dog, template, needle plate, stitch-length control-scale. Are the instruction book directions clear? Find out whether there is a free home trial. Are free sewing lessons provided? Lessons on the use of the machine and its attachments?

The prestige sewing machine is the zig-zagger, the so-called "automatic" or "full" machine. These versatile stitchers have built-in or add-on cams, which control the automatic zig-zag operations, making the complicated embroidery patterns. (Only recently the Federal Trade Commission tentatively ruled that "full" is perhaps the better word inasmuch as some people might assume "automatic" implies the machine will whip up a garment all by itself.)

Unless you intend to do a lot of decorative stitching, you may not want to pay the higher cost of the elaborate, specialized zig-zagger. But if this machine is what you have always dreamed of owning, ask to see all the patterns stitched on fabric so you

have a true idea of how they will look.

There are simple zig-zag machines on the market, too, which, like the straight stitchers (all quite similar in construction) will meet your needs. Zig-zag attachments can be obtained, but they move the cloth and not the needle. If you prefer a portable machine, be sure it is just that. Can you carry it easily? But should you decide on a console, try it for comfort and remember the cabinet can cost as much as your machine.

Along with the written guarantee, make certain you know where your machine was made and the name and complete address of your dealer. This is important should you buy from a second hand shop or at a sale.

Finally, when your machine is delivered satisfy yourself that it performs as well as the one in the store.

If cash is not on hand, see your credit union for a low-cost loan when buying the machine.

And then, happy Spring! And happy sewing. [END]

SEWING MACHINES

TAKE YOUR TIME WHEN BUYING ONE

*Learn to tell a
"feed dog" from a
"presser foot."*

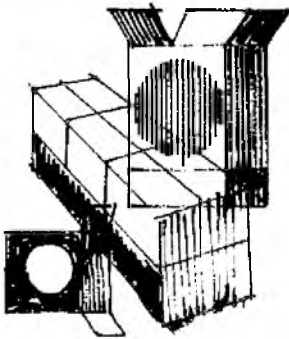


EXPENSIVE GARBAGE If you're tired of the newspaper-and-string garbage wrapping routine, the American Cyanamid Company has the answer: wet-strength garbage bags treated to withstand snow, rain, and moist left-overs. The company foresees sales of \$500 million a year in the U. S.—for garbage bags.

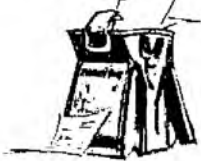


FREE ROADMAPS at gas stations are getting scarce in Canada. Two oil companies now charge 15-25¢ for road maps formerly handed out as a goodwill gesture. U. S. oil companies won't follow suit, since bulk printing lowers their cost to less than 10¢ a map. But free maps are issued by state and provincial governments.

SOFT SOAP With no weight printed on the labels of most toilet soaps, how can you compare, by weight, to find the best buy in toilet soaps, many made of the same basic ingredients? A Soap and Detergent Association spokesman claims, "A soap bar varies in weight as it loses moisture on the shelf, with no actual loss in value." A soap scientist told *Everybody's Money* that water content of manufactured soap can be chemically determined and loss of moisture accurately predicted. Why not print *dry weight* on the label so the customer knows how much he is buying?



THE LARGE ECONOMY SIZE—FOR WHOM? "Multiple-packaging, six-packs, eight-packs and so forth, increase the share of market for manufacturers using them simply because they make it more convenient to buy in quantity—though it's probably more convenient for the manufacturer than it is for the consumer."—Penelope Orth, Associate Editor, *PRINTERS' INK*



Briefcase...

CHICKEN - FLATTERING COLORS Pink or yellow showcase trays could make you come out of the supermarket with a cart-load of chickens. John Jack, research associate with the New York State College of Agriculture, told the National Broiler Association members that the color gimmick will increase chicken sales by 12 to 14 per cent.



THE CROWDED MAILBOX A Direct Mail Advertising Association-A. C. Nielsen Company study shows that the average household receives 15.3 pieces of mail per week—and 6.5 pieces were direct mail advertising. 75% of the receivers opened the “junk mail,” 33% said they enjoyed receiving it, 15% disliked receiving it, 36% were indifferent, and the remainder said they did not receive direct mail or that their action varies with the item. An executive of the association concluded: “The study validated what we already believed. More people like receiving direct mail than don’t.” How about you?

PSYCHOLOGICAL PRICES (98¢ instead of \$1.00) are on the way out, according to the National Retail Association. Retailers are switching to round numbers to reduce clerical errors, simplify computation of sales tax, and add to profits.

THEY HAVE YOU BY THE NOSE in one Wisconsin supermarket. If you smell salami in the soap section, bologna in the baby foods, or cole slaw in the cleaning supplies, it's due to “Hi-fi cooking odors,” deliberately wafted through the store to draw you to the delicatessen in the rear. The fan blowing that savory breeze pays off—the deli accounts for 38% of the store's total sales.

Drying up

THE "JUICE RACKET"



Two bits for the use of a dollar for two weeks is roughly a true annual interest of 650 per cent. Not a bad deal if you're on the lending end. But many Gary, Indiana, city employees were on the borrowing side.

Most of the victims were truck drivers and laborers on the city's street, sewer, and sanitation crews. When they needed a few bucks until payday, their "friendly" loan shark was readily available. When repayment time came, the borrower had to let loose with \$1.25 for every \$1 borrowed.

Although it is a steep price, it was one that catered to the law of supply and demand. The demand is still there, but now it's being supplied by a credit union, the Gary Municipal Employees Federal Credit Union. It serves all city employees in this northern Indiana steel community except the police and firemen. They have their own credit unions.

This new one owes its beginning to the mayor of Gary, A. Martin Katz. He wanted it for a number of reasons. To dry up the juice racket (illegal money lending), to help the employees pay their personal property taxes, and to improve their financial conditions in general.

Elected in November, 1963, Mayor Katz assumed office on January 1, 1964, and almost immediately asked that a study be made to determine the feasibility of creating a municipal employees credit union.

"I knew there were enough city employees to have their own credit union to borrow for emergencies," Mayor Katz recalled. "It would also provide a means of painless saving and create a oneness of the group. If we have employees worried about finances, they can't do the job."

Joseph Massa, payroll clerk in the city's General Services department, and Alonzo Swann, Jr., as-



GARY municipal employees were freed from the loan shark racketeers when they formed a credit union, with Joseph Massa as president and Alonzo Swann Jr. as treasurer.

sistant director of the department, were asked by the mayor to look into the possibilities of forming the credit union. Massa, a former finance company employee, was especially pleased because his father "had belonged to a credit union out at U.S. Steel for 30 years and I knew from his experience what a credit union could do."

After Mayor Katz approved the city's credit union study project, and a charter was obtained from the Federal government, Massa and Swann visited various departments of the city government to talk about the new credit union. The response was good and the credit union was launched on April 10, 1964.

The credit union received its biggest boost in June 1964 when employees paid their personal property taxes. "When the mayor came to office," Massa explained, "all municipal employees had to have their personal property tax-

es paid by July 1, or they'd no longer be employees of the city. Prior to this, certain individuals got favors while others paid taxes. The mayor felt that payment of personal property taxes was a must. Thus our first big venture with respect to lending evolved. We loaned in the neighborhood of \$15,000 to \$16,000 strictly for taxes."

In the process, the credit union also eliminated the juice racket in the "city barns." This is the General Services department headquarters on the city's southwest side. It includes the truck drivers, maintenance men and laborers who work in the city's general services area of streets, sewers and sanitation.

According to news stories in the *Gary Post-Tribune*, the usurious rates were "25 cent interest on every dollar . . . The 'good customers' can borrow as high as \$100. (They pay \$125 back)."

Collecting presented little prob-

lem, the newspaper reported, because the loan shark "cashed the debtor's check on paydays, either the 5th or the 20th of the month."

There are nearly 300 persons employed in the General Services division, and about 95 per cent of them are now in the credit union. No one, except perhaps the former lenders, knows how many employees actually patronized the juice men. But the *Post-Tribune* reported that some of the "employees estimate that at least 90 per cent of the department's crew has borrowed at one time or another. They would not estimate how much the turnover is from the 'juice racket,' but a 10-year man for the city says it has been operating for at least the years he has worked at the barn."

"Most of these guys," Massa explained, "were in debt to finance companies, so when they needed a small loan, they got it from the juice men." He said there were three juice men making short term loans from pay day to pay day, usually in amounts

ranging from \$5 to \$25. Now this has been changed.

"What employees have been doing now," the treasurer and president explained, "is coming in here (to the credit union). We work out a good financial program for them, consolidate their bills, and send checks directly to their debtors. Then we give the receipt to the member."

Massa pointed out that "the financial condition of many employees was below average. They had far too many bills and no education as to how important proper handling of finances is. This we hope to achieve, but it takes time."

The credit union's greatest contribution to the welfare of the employees, the president believes, is "systematic saving." "I'll sit down with anyone," he said, "and help them set up a budget that includes saving. I feel this is the only way to sell the credit union, to get out and show them how it can help them. If we sit back and try to operate like a finance company or a bank, we're in bad shape." [END]

TRADING STAMPS ON THE WAY OUT? Yes, say two food retailers. "Stamps now cost you money," said Mott's Supermarkets, E. Hartford, Conn., when the chain dropped stamps and lowered some prices in January. "Money can be exchanged for any brand of item. Stamps can only be exchanged for a handful of items," said Fisher's Fine Foods, Pueblo, Colo., discontinuing stamps. And A & P stopped stamps in 51 stores in its Kansas City unit.

ABSOLUTELY FREE STEREO CONSOLE! That's what "music plan" ads are telling Canadians. But on closer inspection . . . there's a \$15 delivery charge—and you must buy up to 200 records (\$4.98 each) over a period of three years, according to *Home Goods Retailing*.

A Guide to Sales

Before shopping the sales, you can save yourself time and shoe leather by a close scrutiny of the ads. An understanding of sale language can help you decide if stores are offering bargains or "junk." For example: "1/3 off!" Unless you know the original price of the merchandise, it is hard to determine if the sale price actually is "one-third off."

"Made to Sell for \$49.95 . . . Now \$25!" Translation: Made to sell for . . . but didn't!

"Original Price \$14.95 . . . Now \$5!" When was the original price in effect? Merchandise may have been priced at \$14.95 in January, \$10 in March, now \$5 in May.

"Selected Merchandise." Only part of the store's stock is on sale. Watch for "white elephants."

"Special Purchase" or "Stocks replenished to give you wide selection." Surplus or distress

goods from another retailer brought in for sale merchandise. May or may not be of equal quality as other merchandise in the store.

"Every Suit on Second Floor—1/2 Price!" May be slim pickings, as the better suits are suddenly moved to Third Floor.

"Dresses \$10 . . . Marked Down from \$29.95!" A spot check of tags may reveal that only a few dresses were actually priced at \$29.95. The Better Business Bureau insists that at least 10% of the goods be from the top price range advertised.

"\$49.95 Suit . . . Comparable to \$75!" How is the suit comparable? Same fabric? Tailoring details? An exact duplicate? Or similar-to in style?

"Going Out of Business!" May be good buys here, but who will make good any complaints?

"All Sales Final!" No translation needed.

A GUIDE TO SPRING SALES

April—After-Easter clearance sales offer real savings on family clothing. Look for reductions on coats, suits, dresses, millinery, men's and boys' suits and furnishings. Spring cleaning supplies, garden equipment and paints will be offered at sale prices.

May—Further clearance sales of Easter merchandise and spring cleaning supplies. Look for sales of infants' and children's clothing, lingerie, handbags, and white goods. Curtains, draperies, television sets and tires will be featured sale items.

June—Look for sales of storm windows, lumber, and television sets. Special sales of home appliances such as washers, dryers, refrigerators offer genuine savings. Sportswear and piece goods will be offered at substantial savings.

WANTED: A GOOD SAFE CAR

"We've got to put more emphasis on packaging people in the cars. There's bound to be accidents. So we've got to find ways of transporting people in a safer environment."—Paul C. Ackerman, retired engineering vice-president, Chrysler Corporation, November 1964.



What this country needs is a good five-cent cigar" was a slogan in grandpa's day, but today's need is a good safe car.

More than 48,000 deaths a year in motor vehicle accidents is a high price in any country to pay for convenience in moving about. If the price can be cut by law or voluntarily by auto makers, it should be. That it can be, is the firm belief of those who know about automobiles.

While causes of accidents vary, engineers and safety experts agree that damage to people can be reduced in a car designed to eliminate "second collision" accidents. A "second collision" is the collision of the occupant with the vehicle. The crashproof car as one answer to the problem has long been advocated by medical

experts, engineers, safety researchers, legislators in New York, Massachusetts and the United States Congress, the American Automobile Association, and consumers.

Automobile manufacturers are aware of the problem but they have been reluctant to make all recommended safety improvements. The Automotive Crash Injury Research project of Cornell University "knows what the chief defects of cars are," according to Dr. Horace E. Campbell, chairman of the automotive safety committee of the Colorado Medical Society, "and which makes, in actual experience on the road, are the more dangerous." Backing up Dr. Campbell's view are salesmen who drive an average of 27,300 miles a year. In a recent survey by *Sales Management* magazine, 46 per cent of those surveyed said they do not feel to-

day's cars are safe. They attacked the entire industry for "failing to give adequate attention to safety considerations."

States Take Action

New York State Senator Edward J. Speno also takes the matter very seriously. He is sponsor of a commission to build a safety car "to give the New York Legislature the design criteria it needs to force the major auto manufacturers to initiate major safety changes."

The Massachusetts Division of the American Automobile Association and State Senator Francis X. McCann last year introduced a resolution to establish a commission to draw up a code of minimum safety standards for the manufacture of motor vehicles to be sold in the state. Sixty-five design features were recommended, including padded head rests to

prevent whiplash injury; seats molded to a person's natural pressure distribution; seats adjustable for height so drivers can have clear vision ahead; padded roofs to prevent head injury; rollover strength in the roof; ensolite or equal padding of visor, dash, header area, and other places where impact is most likely; fail-safe braking systems; telescoping steering shafts to prevent spearing through the chest area; use of steel of enough strength for auto bodies "reinforced with adequate framework, so that vehicles will not so readily collapse or fold up in collision"; and many more.

Bills introduced in New York's Legislature this winter call for equipping cars with anchorage units for shoulder-harness safety belts and for improved safety standards of brake linings.

The Wisconsin Division of the

AAA points out that automobile manufacturers have added such safety features as stop lights, safety glass, rear view mirrors, turn signals and windshield wipers as standard equipment "primarily because legislatures mandated their use."

One of the biggest auto buyers in the world, the United States Government, which will buy about 60,000 cars this fiscal year, is drafting a list of at least two dozen improvements it would like to see for safety's sake. A *Wall Street Journal* report quoted a government auto specialist as saying: "Nearly everything we have in mind is or has been offered by various auto makers at one time or another. Therefore we don't think we'll be asking Detroit to stretch itself much." A law passed by Congress last August ordered the General Services Administration to establish reasonable safety standards for cars and buses purchased for the government.

Are Laws Needed?

Opinion divides on whether laws are needed for safe car designs.

When asked, Dr. Donald F. Huelke, associate professor of anatomy at the University of Michigan Medical School, replied, "Probably not, because the industry has a small, dedicated group of individuals working for car designs of greater safety. Sure, there is still a strong feeling that 'Our job is to sell cars.' But there is a very active move in the industry toward more safe cars.

Outside of this hard core, however, most industry people are not completely cognizant of how important the role of styling plays in auto injuries, because this is an area that's not under their jurisdiction."

But Dr. Campbell maintains that Federal laws have specified safety design and construction on railways for over 70 years. The Federal government checks airplane design for safety down to the nuts and bolts. "The requirements of personnel-supporting structures are detailed in specific terms," Dr. Campbell points out. "We need similar laws for the automobile with Federal inspectors in every motor car factory," he has written.

Consumers in the Know

Consumers can keep themselves informed about all efforts to make cars with safety built in. The New York and Massachusetts safe-car recommendations could be studied and proposed as models for action by other states. Automobile manufacturers could be informed of consumers' views on safety. National Safety Council, American Automobile Association, and consumer groups could be backed up in their campaigns for safer cars.

You can help bring them on the market—start by telling your dealer, your state legislators, Federal Representatives and Senators and automobile manufacturers: Today's need is a good safe car.

And it wouldn't hurt to have a good five-cent cigar. [END]

Fashion-conscious women who try to get the most for their money are in for a surprise when they go shopping for new clothes this spring.

The onetime signs of value such as sturdy fabrics in dyefast colors, sensible shoes that wear and wear, cosmetics that cover up facial flaws, elegant dresses that home sewing cannot duplicate, clothes that look "new" when you walk out of the store, are being edged off the counters by fashions of the natural, or "nothing" look.

It all started with the topless bathing suit. The designer of that famous suit has switched to a more profitable, and acceptable line — flimsy underwear. One highly-advertised item is the "no-bra," a wispy bit of see-through nylon attached to an elastic band, and weighing no more than a contact lens. The price: \$3.95 to \$9.

THE DRESS this spring is the "little nothing dress," or "skimmer," a style so simple that five-year-olds have made it for their dollies for centuries — just two pieces of cloth sewn up the sides and across the shoulders.

On the beach, if the ads are any prediction, the thing to wear is a swimsuit with huge, gaping holes outlined in bright colors (\$20-\$25). The holes are no accident, but have been strategically placed *not* to be too revealing. For an after-swim coverup, why not a cozy T-shirt made of fish-net? (\$15).

About the worst thing a man can do this spring is to compliment his wife on her "new dress." For this spring's clothes are designed to look "old" even before they leave the store. "Bleeding" madras plaid fabrics (guaranteed to fade) have been around for a few seasons, but the latest "old touch" is heavy duty industrial zippers with meshes strong enough to lock a safe. Faded denim pants and shorts

THE NOTHING LOOK

can be costly



frayed around the cuffs would put most island castaways to shame. "Beat-up" leather purses, the leather crushed and scratched; shoes with chunky heels curved on both sides, popular in pre-Victorian times; tattered hose (which on inspection prove to be "textured" in orderly arrangements of diamond, flower, heart shapes)—all appear to be relics from an attic a century old. But the prices are truly twentieth century.

Thus, the fashion trend this year is not "something for nothing." It's almost nothing for something. [END]

tv on the blink?



**A California law
gives hints on
what to expect of
a repairman.**

If you're one of the millions who owns a television set or two, and one goes on the blink, you know how important a tv repairman can be.

Everybody wants a good repairman. One who can be trusted to do a good job and charge a fair price for his service.

Some states and Canadian provinces have legislation to improve trade standards. One of the best is California's, set up in 1963, providing for an Electronic Repair Dealer Registration Bureau. Over 6,000 repair firms paid the \$35 license fee for industry regulation. And in the first year 4,600 consumer complaints were received.

Included in the California law and enforced by the Bureau are these safeguards: the repairman must give a customer a cost estimate in writing; he cannot boost his charge without customer agreement; the dealer is forbidden from paying repairmen a percentage on tubes or parts installed; repairmen must hand over replaced parts and tubes, except the explodable picture tube, to the customer; and a dealer may not switch tubes and sell as new the old ones taken from sets.

It's a good idea to choose your television repairman as you would the family doctor. Ask your friends and neighbors, the people with whom you work, for their suggestions. And before you call him, review your warranty or guarantee or your service contract if you have one, especially

for time limit and responsibility of manufacturer. Read the fine print carefully.

Warranty: Provides replacement for a defective part such as a picture tube.

Guarantee: Provides parts replacement, labor, and expenses involved in making repairs.

Because television sets are unbelievably complicated—a thousand component parts, some 20 tubes, and hundreds of different connections — a tv repairman must have broad technical knowledge and highly-specialized mechanical skill. This is what you pay for. And your payment helps him meet his costs which include labor, expensive apparatus, stock, rent, car or truck, and tools—and his profits.

Therefore, think twice about the repairman who charges as lit-

tle as \$1.50 a call. A reasonable fee is between \$3 and \$8, depending upon where you live, for one-half hour service, plus the cost of replaced parts. A good repairman is one who talks over the trouble with you and explains the needed repairs and the charges involved, who doesn't pressure nor try to sell, and leaves the worn-out parts with you.

If you are dissatisfied with his service, report your grievance to the Better Business Bureau or the Chamber of Commerce. According to some estimates, television owners are "quietly bled" of millions of dollars each year.

But once you have found an honest repairman, let him do his work and listen to his advice. Don't diagnose the trouble for him.

It'll cost you at least 10 cents a minute! [END]

Credit Union Contest

Everybody's Money will pay \$25 for the best specific, human interest story of your own or your friend's actual experience with "easy credit." Names and places must be given but will not appear in print. Stories are limited to 250 words or less. Send typed entry, with the name of your credit union, to Contest Editor, *Everybody's Money*, CUNA International, Inc. (formerly Credit Union National Association), Box 431, Madison, Wisconsin 53701.

See next page

Spring Contest Winner

Dear Contest Editor:

"Your one week old son deserves every advantage in life he can get. Do you realize your child came into this world owing the Government money?"

Being a new parent for the first time we naturally wanted what we thought we could afford for our only child now seven days old. Our name was taken from the daily newspaper on birth announcements, we were told.

"Every person must have a college degree to get anywhere in the business world today. What you need is a complete set of our encyclopedias so your son will be prepared for his career."

"Only \$10.00 down and \$10.00 per month for 24 months will deliver to you this beautiful set of books and include a dictionary free." Naturally you must sign a contract for such payments, with set up cost and nominal fee, or carrying charge.

We later discovered by the time our son would be old enough to use the encyclopedias they would be out-dated and several additional volumes would need be purchased to be up to date.

We have learned a lesson the hard way and have found that "Easy Credit" \$10.00 down and \$10.00 a month is not as easy as it sounds.

H. C. Newcomb, Jr.
Community Center Credit Union
Wichita, Kansas

Some last minute reminders

Spend 50 cents for the book "Your Federal Income Tax." Read the guide carefully and you may save many times your investment in it when you make out your tax return before April 15. Buy a copy from Superintendent of Documents, Washington, D.C. 20402, or your local Internal Revenue office.

When you report your income, you must include all dividend and interest you receive, including payments under \$10. Your credit union will report all dividends of \$10 or more paid to members, but you still must report and pay taxes on *all* dividends and interest received.

The tax cut for 1964 and 1965 came with some changes in the tax laws.

One that may help you cut down your tax payment is the choice of **three ways to make deductions**: itemizing your deductions; the new minimum standard deduction; and the 10% standard deduction. Take a trial run with each method to see which one is to your advantage.

The **minimum standard deduction** will probably take low-income people off the tax rolls. One example is a married couple, with two dependent children, fil-

ing a joint return. They will not have to pay income tax if their adjusted gross income is under \$3,000. The previous limit was \$2,675.

A **working student** pays taxes only if income is over \$900 a year.

Large families will benefit from the new minimum standard deduction, on a joint return, of \$200 plus \$100 for each personal exemption up to a maximum of \$1,000. A married couple with 3 dependent children could deduct \$200 plus \$500, or a total of \$700, on a joint return. Such deductions are in addition to the usual exemption of \$600 for the taxpayer and his or her dependents.

If your income is more than \$5,000 it may be more economical for you to itemize your deductions.

A wife who works may now be able to deduct up to \$900 for expenses involved in the care of children under 13 years of age or of disabled dependents if she has two or more dependents. Widowers may also make such deductions. A new limit of \$6,000 of family income has been set for eligibility for this deduction. (It was \$4,500 previously.)

Cooperative-apartment owners

may deduct their portion of the interest payments on the debt of the cooperative.

Use of your car for business purposes makes you eligible for a deduction of 10 cents a mile. For driving your car to and from medical or dental treatment, you are now eligible to deduct 5 cents a mile. Don't deduct if you take a trip to improve your general health or if you go to another city for an operation or treatment.

What you spend out of pocket for a church or charitable group is a donation that may be deducted. If you use your car for such groups you may claim 5 cents per mile.

Personal property you donate may be claimed as deductions but you will have to describe and explain in your tax return how you arrived at a value.

State and local property, income, sales and gasoline taxes are deductible. The new tax law ruled out deductions for state and local cigarette and liquor taxes, poll taxes, auto tags and driver's license fees.

Teachers traveling on sabbatical leave may deduct personal travel and recreational expenses to the extent they are directly related to normal teaching duties.

If you use a special fluoridation unit attached to your home water supply system — on the advice of a dentist — the installation and rental fees are deductible as a medical expense.

Taxpayers over 65 are now able to deduct the full cost of drugs and medicines. Anyone who pays such expenses for dependent parents over 65 years and older may also take full credit. A taxpayer under 65 may deduct only that portion of the cost of drugs and medicines that exceeds one per cent of his or her adjusted gross income.

A new special rule liberalizes the retirement income credit of couples, with husband and wife each 65 years and older.

If you **have to move** because of your job, you can deduct cost of moving as well as expenses of transportation for your family, including meals and lodging on the way from the old to the new residence. The new place must be at least 20 miles further from your old residence than your former job.

Now, while you have all papers, bills, cancelled checks and other data out in front of you—now is the time to give yourself a family financial examination. This is a good time to see if your debts are being whittled down; if you are making proper provision for future spending and future security. This is the time, too, when you should think of how your credit union can help you realize your plans.

For the present, if you need cash to pay your income taxes, be sure to see your credit union treasurer right away. [END]

Rent or Buy A Home?

The article in *Everybody's Money* (Winter 1964-1965) by Mr. Jack Haskett entitled "Should You Rent or Buy?" is interesting and makes us aware of the cost and benefit of home ownership.

I am wondering if, in making this comparison, it would not have been fair to include the amount of saving due the home owner in the form of a tax deduction on the mortgage interest and taxes. In the example shown, the total amount of these two figures with a 22% tax rate, for example, would equal almost \$14.00. This would narrow the \$18.00 gap between owning and renting by \$14.00.

This, of course, is not a guaranteed item. The IRS threatens it every year but it has been in effect and worthy of consideration for several years in weighing the merits of home ownership vs. renting.

Byron C. Judah Dallas, Texas
Member, Peerless Pump
Los Angeles Credit Union

A number of readers have written in to make the same point. Some have other disagreements with Mr. Haskett's article. This controversial subject reveals strong believers in apartment renting, for economic as well as convenience reasons; and equally strong believers in home ownership, for economic and sentimental reasons. Mr. Haskett's article was a briefly stated summary of research based on recent facts. It is not the final word on the subject, which we expect will be debated for a long time.

Here is Mr. Haskett's reply to a number of letters which came to us.—Ed.

In our article on "Should You Rent or Buy?" there should have been an entry in the table for the income tax savings possible to homeowners. At an average 14% tax bracket rate, this would mean a reduction in the homeowners' cost of some \$12 to \$14 a month, if deductions are itemized.

As to the possibility of obtaining an

apartment for \$125 a month, this figure is an average, and like any average will not be true in every case; I hoped that this was clear in the article. Whether a \$125 apt. is available in Los Angeles, Natick, Mass., or Tulsa, Okla., at any given moment depends on many factors; these are obviously beyond the scope of a single article. But the factors as enumerated hold true, given the conditions we set out.

One reader claimed that inflation had been overlooked in house values, and said that house prices had more than tripled since 1940. Barring the inevitable exception which just proves a rule, I can state that never in our research have we seen such a situation. Some appreciation, yes. Over 300%, no. And incidentally, we are not trying to convert people to apartment renters. We have no interest in the matter whatsoever. This is an individual matter.

Jack Haskett

Winter Sales

Congratulations on the informative article, "A Guide to Winter Sales" (Winter 1964-65). It has convinced my family. I have preached 'more careful buying habits' for years to no avail.

Mrs. Jay Clapper
Elyria, Ohio

Letters

Hearing Aids Dealers: Two Views

With regard to the hearing aid field in the article "Now Hear This" (*Everybody's Money*, Autumn, 1964), let me set the record straight on the requirements of our members.

All members of our Society are *Certified Hearing Aid Audiologists*, certification being synonymous with membership. It is incumbent for each application for certification to successfully complete the "Basic Home-study Course in Hearing Aid Audiology," and subsequently pass a final examination; and most important, file an extensive application form which requires:

The endorsement of the applicant by several persons who know him, both in his business and his community life. One of these *must* be a physician, preferably an otologist.

All advertising for a period of 30 days preceding application *must* be submitted.

Proof of actual experience, with supervision in the fitting of hearing aids for a period of not less than two years *must* be given.

That he subscribe to the Code of Ethics of the Hearing Aid Industry.

In addition, each applicant is investigated through a Better Business Bureau, Chamber of Commerce, or other groups.

The Society of Hearing Aid Audiologists recognizes just one title for those who fit and sell hearing aids and grants the title "Certified Hearing Aid Audiologist" only to those who qualify under its stringent rules. It does not endorse or recognize any other title used by anyone in the field of hearing, unless such title has been granted by an accredited college or university.

Anthony DiRocco
Executive Secretary

Society of Hearing Aid Audiologists
Detroit, Michigan

I have wanted for some time, to write you about the wonderful article you did in the autumn issue of *Everybody's Money* titled "Now Hear This."

I have a hearing impaired child who is now 5 years old. He wears a hearing aid, and goes part days to the Whittier School for the hearing impaired.

Mark had spinal meningitis when he was 10 months old, and with God's help he lived, and it left him with damaged ear nerves. However it took us over two years from going to doctor to doctor to tell us that he was hearing impaired.

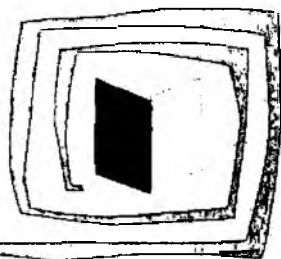
From then on things happened very quickly, Mark got lots of tests at the University Hospital and they recommended a hearing aid and the place to go to get one. It was then when unpleasant things began to happen. The dealer demanded cash on the line and when we didn't have it they insisted on \$50.00 a month with charges. Mark needs a cord every few months, they are made from a plastic that pulls out very easily, this is \$2.00 a cord, and the ear mold must be changed every few months because the ear grows very fast, and this runs \$15.00 for a mold each time.

A new organization has been recently formed in Minneapolis called MAHI (Minneapolis Association for the Hearing Impaired) in which I am trying to make them see that the first thing we must do is to clean up these dealers who are hopelessly overcharging the customers. When the child needs an aid, parents will go to all costs to see that the child will get one, because they love him, and this is where the dealer is taking the advantage. I have sent MAHI your article, and I hope in the future you will be printing more on this line.

Mrs. Vernon Stuhr
Minneapolis, Minnesota

Useful Publications

TO HELP YOU STRETCH YOUR PAYCHECK



VITAMINS

Vitamin Supplements and Their Correct Use, Department of Foods and Nutrition, American Medical Association, 535 North Dearborn St., Chicago, Illinois. 10¢.

Canada's Food Guide, Nutrition Division, Department of National Health & Welfare, Ottawa, Canada. Free in Canada.

* * *

PURCHASING

Buying Your Home Sewing Machine, Home and Garden Bulletin No. 38, USDA Publication, Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 10¢.

Poultry—How to Buy/How to Cook, Publication 1189, Canada Department of Agriculture, Queen's Printer, Ottawa, Canada. 75¢.

* * *

MONEY MANAGEMENT

Americans and Their Pocketbooks—How Your Neighbors Earn and Spend Their Money, by the editors of the *Wall Street Journal*. Dow Jones & Company, Inc., New York, N. Y. \$1.

Your Federal Income Tax, Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 50¢. (Or from your District Director of Internal Revenue.)

* * *

FAMILY LIVING

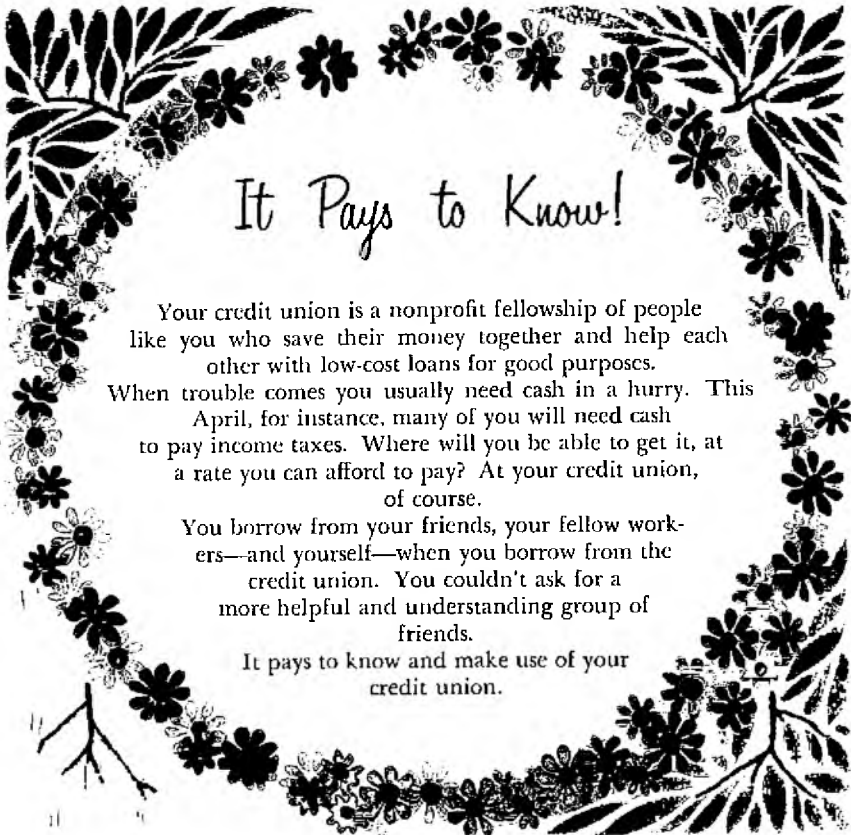
New Chapter in Family Planning, Publication No. 136C, 35¢;
Equal Justice For the Poor Man, (on legal aid), Publication No. 367, 35¢;

How To Get Good Medical Care, Publication No. 368, 35¢, Public Affairs Committee, Inc., 381 Park Avenue South, New York, N. Y.

On Growing Older, President's Council on Aging, Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 50¢.

Everybody's Money

COMES TO YOU WITH THE COMPLIMENTS OF YOUR CREDIT UNION



It Pays to Know!

Your credit union is a nonprofit fellowship of people like you who save their money together and help each other with low-cost loans for good purposes.

When trouble comes you usually need cash in a hurry. This

April, for instance, many of you will need cash to pay income taxes. Where will you be able to get it, at a rate you can afford to pay? At your credit union, of course.

You borrow from your friends, your fellow workers—and yourself—when you borrow from the credit union. You couldn't ask for a more helpful and understanding group of friends.

It pays to know and make use of your credit union.