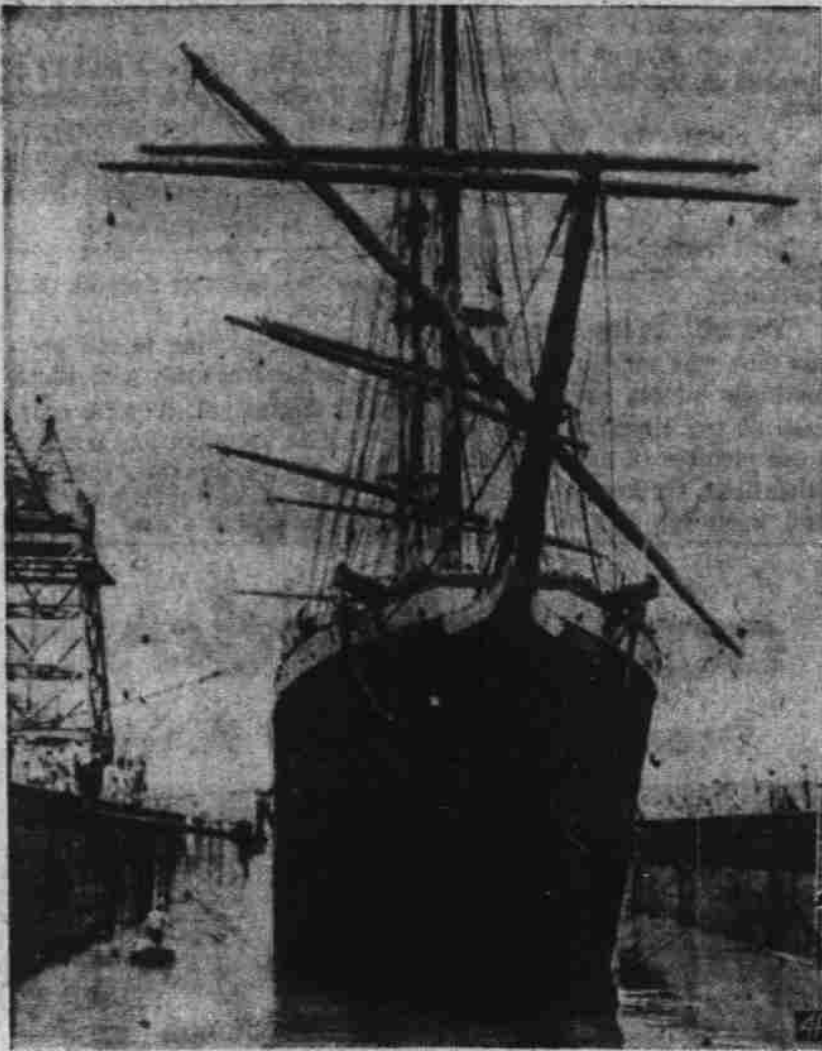


## Last of Her Kind



SAN FRANCISCO—The Pacific Queen, last full rigged ship to fly the American flag, is steadied in a San Francisco drydock as marine engineers prepare to survey and test her hull. If she passes tests, 68-year-old vessel will be purchased by the San Francisco Maritime Museum. Shipyards and labor unions have offered to refit her free for use as floating exhibit of days of sail. Built in Scotland, ship sailed in grain and Alaskan fish trade before retirement, later served as set for movie "Mutiny on the Bounty." (AP Wirephoto)

## Senators Insert Wool Subsidy in Farm Bill

WASHINGTON (AP) — The Senate Agriculture Committee put the finishing touches on its controversial farm bill Wednesday, inserting a wool subsidy plan the Senate had passed April 27 as separate legislation.

Chairman Aiken (R-Vt) said debate on the bill should begin in the Senate Monday or Tuesday.

The wool section provides for government payments to encourage domestic production. Growers would sell their clip for whatever it would bring in the open market, then the government would make direct incentive payments to bring their returns up to the desired level.

Aiken estimated annual payments would range from 35 to 40 million dollars a year. The money would come from import duties collected on foreign wool.

The House refused to deal with wool separately and wrote it into its general farm bill, which was passed earlier this month.

**Action Reversed**  
In another last minute move, the Senate committee reversed itself and removed peaches, pears and

## AFL Supports 2 Washington Office Seekers

SPOKANE (AP) — Only two office seekers—both Democratic congressional candidates—were endorsed by the Washington State Federation of Labor convention Wednesday.

The thousand AFL delegates threw their support behind Don Magnuson in his race for reelection as congressman-at-large and Hugh Mitchell, who has declared his candidacy for First District congressman.

Bellingham was selected as the 1955 convention city.

Magnuson won the congressman-at-large race in 1952 after an extremely close contest with Albert Canwell. Spokane. Canwell is a candidate again this year.

Mitchell, who served out Mon Wallgren's unexpired term as governor, was the Democratic candidate for governor in 1952. He served one term as First District congressman.

**Resolutions Due**  
E. M. Weston, federation president, said resolutions will be considered Thursday the fourth and last day of the convention.

Mitchell, who spoke before the meet, said that the Republican administration took over just a year and a half ago and "it is almost unbelievable that so much that is bad could be accomplished in so short a time."

The administration "is torn by disunity and the courage and conviction of our people are weakened and we face the future with uncertainty and confusion," he said. "These dangerous trends must be checked," Mitchell said. "These weakening policies must be reversed. This nation cannot afford another two years of rolling reaction."

**"Constantly Right"**  
Earlier in the day, Harry W. Call, past federation president, termed the voting of Sen Jackson (D-Wash.) as "constantly right," and that of Sen. Welker (R-Idaho) "constantly wrong."

Call praised the voting records of Sen. Magnuson (D-Wash.) and Sen. Morse (Ind.-Ore.) and criticized the voting record of Sen. Dworshak (R-Idaho) and Sen. Gordon (R-Ore.).

Another speaker, Lt. Gov. Emmett Anderson, suggested lengthening workmen's vacation period as a means of luring more tourist dollars to Washington.

Anderson said the tourist business brought the state 150 million dollars last year and more would roll in if labor and management could work out a vacation season running from April to October.

## The Adviser Foresees Jump In Production

BOLTON LANDING, N. Y. (AP) — President Eisenhower's economic adviser said Wednesday the administration's legislative program is putting punch into an economy that should surge upward in five years to production of 450 billion dollars in goods and services.

Gabriel Hauge rubbed the economic crystal ball for the nation's governors, in the windup stages of their annual conference, and brought out what he said was a confident, optimistic picture for the future.

Nevertheless, some governors spoke up about what one of them called "pockets of retardation."

But as Hauge saw it, America is past the retreat or recession that set in a year ago, reorganizing, "catching its breath for a new advance."

"The gross national product," he said, "should in five years get to 440 to 450 billion dollars."

It now is around a level of 365 billions a year.

**Gov. Kennon Elected**

The 48th Governors' Conference ended with a closed door session that elected Gov. Robert F. Kennon of Louisiana chairman for the year ahead and set the stage for a possible conference in Washington on President Eisenhower's vast highway construction program.

This plan calls for a federal-state alliance to construct an additional 50 billion dollars worth of roads in the next 10 years in addition to some 40 billions of construction that normally might be scheduled in that period.

**Source of Concern**

It has been a source of concern and confusion at this conference. And the way the state executives disposed of it was to adopt a double-barreled resolution.

It calls on the Council of State Governments and State Road Experts to make a study and report on highway problems.

It calls on the governors' Executive Committee to "be prepared to call together all the governors to meet with appropriate federal officials to discuss this subject if such action is found to be necessary and desirable."

Eisenhower has asked the governors to let him know what cooperative action they think the federal and state governments should take to build a mammoth highway network to meet the needs of a growing population and defense requirements in event of atomic war.

**"System Falls"**

The system, he said, "has failed despite the fact that the government now has about 6 1/2 billion dollars tied up" in surplus farm products.

Ferguson, chairman of the Senate Republican Policy Committee, is supporting President Eisenhower's request for a more flexible system of price props ranging from 75 to 90 per cent of parity. Parity is a standard for fixing farm prices said by law to be fair to the farmer in relation to the cost of basic things he buys.

Ferguson's support of flexible price supports touched off a round of Senate debate.

**Milk Prices Rise**

Sens. Humphrey (D-Minn) and Thye (R-Minn) said that milk prices to consumers had gone up largely because dairy interests feared the administration's drive to lower prices.

Aiken told Thye retail milk prices usually rose each year in July and August following the flush production period of April, May and June.

Sen. Young (R-ND) an advocate of 90 per cent supports, interrupted Ferguson to say the present high level props are not wholly responsible for the big farm surpluses.

He said that only two years ago the nation's farmers were asked to increase their production tremendously because of the Korean War and possibility of a world conflict. This led to many of the present surpluses, he contended.

Young said that in the last two years wheat farmers had been asked to take two production cuts totaling two thirds of their 1952 levels.

"And now you want to put in the flexible support system and the modernized parity formula which will cut their income even more," Young told Ferguson.

"All this means a cut in income of almost 50 per cent. That would break any business in America."

## Bike Tour Set In Puerto Rico

SAN JUAN, P. R. (INS) — Extensive plans are in the works for "The First Bicycle tour of Puerto Rico," an exciting sports event that is expected to attract contestants from all over the world.

The project is under the direction of Spanish newspaperman F. Ribes Tovar, who has organized two of the bicycle tours of North Africa. The date for this thrilling cycling extravaganza has tentatively been set for the last week in August.

Cyclists from the United States, France, Spain, Italy and North Africa, have been contacted and sponsors of the tour are hoping to include teams from Germany, Belgium, Argentina, and Mexico.

The Puerto Rican team will be sponsored by the newspaper El Imparcial and both the Government Sports Commission and the Puerto Rican tourist office have shown great interest in the project.

The government is anxious to make the "First bicycle tour of Puerto Rico" a national institution, as it is in France and Italy. All Europe excitedly looks forward to these cycle races every year and in many quarters the interest in it is compared to that of the "World Series" in baseball in the United States.

## Historical Society Appoints Superintendent

PORTLAND (AP)—The resignation of Lancaster Pollard as superintendent of the Oregon Historical Society and appointment of Thomas Vaughn, of Janesville, Wis., was announced Wednesday by the society.

Pollard had headed the society since coming here from Seattle in 1943. Vaughn also is a former Seattle man. He attended the University of Washington, Yale

University and the University of Wisconsin.

About half the homes in the United States are more than 30 years old.

Statesman, Salem, Ore., Thurs., July 15, 1954—(Sec. 1)—13

## PT&T to Offer Stock for Sale

SAN FRANCISCO (AP) — The Pacific Telephone and Telegraph Co. announced Wednesday it will offer common stock in the amount of about 100 million dollars for subscription in September. Proceeds will be used to finance permanently a portion of 155 million dollars in short term notes.

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