

Business Outlook

Economic Patterns Mixed Up

By WALTER BREEDE JR.
NEW YORK (AP)—The nation's economy was a cross-pattern of ups and downs this week. Things looked a little better for producers of food, electrical machinery, building materials, steel and textiles—but not so good for manufacturers of machine tools, rolling stock, appliances and cars.

Retail sales were off a bit. Unemployment trended higher. Labor Secretary Mitchell advised Americans not to get panicky if the jobless total passes the six-million mark next month. He said unemployment always shoots up when vacationing students enter the labor market.

Memo to Junior: employment agencies say vacation jobs this summer will be scarce.

Living costs soared to a new high, but government economists said the inflationary upsurge in consumer prices seems to have shot its bolt. Food prices—particularly on fresh vegetables and meats—may head lower soon.

Prices Inch Up

Prices of copper, cement and plywood inched up this week. Executives of two steel firms said they hoped to boost steel prices in July, when wage rates go up, but they were by no means certain they could make the increases stick.

There was sharp disagreement among economists as to whether inflation or deflation is the greater danger now.

Of more immediate urgency was the question: What's wrong with the auto market?

The problem came to the fore as the world's two biggest auto-makers held their annual meetings.

Stockholders of General Motors got a first hand report from their president, Harlow H. Curtice, at a jam-packed meeting in a Buick-Pontiac-Oldsmobile assembly plant near Wilmington, Del.

The real reason for sagging sales, said Curtice, is not the Detroit big car concept but the general business slowdown. He said most American families like the 1958 Detroit product—they'd rather own a big, powerful, easy-riding American car than a pint-sized foreign model.

Lack of Confidence

Why aren't they buying? They can well afford to, said Curtice, but they're worried about unemployment and they lack confidence in the future.

The GM president also stressed this point: Factory sales of GM cars and trucks are running about 20 per cent below last year. But the company's competitive position has never been better. In Detroit's Masonic Auditorium stockholders of Ford Motor Co. were told to expect a "modest recovery" in general business late in 1958. But, said President Henry Ford II, it will be a poor year for the auto business. "Our profits," he said, "will directly reflect the impact of sharply reduced volume."

Ford also disclosed that falling profits will cut heavily into the bonuses paid the company's top brass. He said: "Our top executives will have their total compensation for 1958 cut in half."

Executive pay cuts were in the making, too, at Chrysler Corp. Some 2,000 Chrysler officers and executives will be docked anywhere from one to three weeks' salary this summer in a move to cut costs.

Some Price Cutting

Cost and price cutting held the spotlight at an anti-recession conference in New York this week attended by some of the biggest names in U. S. government and business.

Harry A. Bullis, chairman of General Mills Inc., told the American Management Assn.-sponsored meeting: "The consumer is price conscious. Prices must be within the realm of what consumers are willing and able to pay."

Loudest applause was reserved for President Eisenhower, who said businessmen should whet consumer appetites with attractively priced products of top value.

"Not all our economic troubles are over by any means but there is a change in the making," Eisenhower said. "The future is bursting with vitality and promise."

Business Scene

Briefly over the business scene: Walter F. Hoadley Jr., noted construction economist and treasurer of Armstrong Cork Co., says the current recession is more than a rolling readjustment and will last through 1960. J. Allen Walker, president of the National Assn. of Credit Men, states: "The worst is about over." Steel production inched up this week to an estimated 54.9 per cent of capacity, highest since January. President Ralph J. Cordiner of General Electric Co. reports a significant rise in new business booked in March and April.

PILES (HEMORRHOIDS)

STOMACH AND COLON DISORDERS
DR. REYNOLDS
Neurophysic Physician

The REYNOLDS CLINIC
PH. EM 3-9460

OURS: 9:30 A.M. to 5:00 P.M. 1134 CENTER STREET
Salem, Oregon

PENNEY'S
ALWAYS FIRST QUALITY!

STORE HOURS THIS WEEK ONLY
Monday and Wednesday 9:30 A.M. to 9 P.M.
Tuesday, Thursday and Saturday
9:30 A.M. TO 5:30 P.M.

BEACH? BERMUDA? BACK-YARD? YOU NAME THE VACATION SPOT?

we've got the smartest sportswear!



your fresh
hibiscus
Wardrobe
grows
with
ever-so-many
separates

\$1.98 and \$3.98

Love the new Paris-grown colors? Penney's does. And has them for you in the sunniest cottons that ever mixed and matched in fashion. Choose blue, coral, mint or yellow. The tops are easy-care polished cottons. The britches, Penney's own Pennsheen combed cotton sheen gabardine. It's a buy fashion-loving you can't miss at Penney's prices. Sizes 10 to 18.

Shop Penney's Sportswear Department,
Second Floor, You'll Live
Better, You'll Save!



Penney's
Tapered
Ankle Pants
ONLY
\$1.88

Fine machine washable sheen cotton tapered ankle pants in striking solid colors. Perfect fitting self-waist, adjustable back-belt. Sizes 10 to 18.

SECOND FLOOR

Girls' Denim
Boxer Jeans

66c

Machine washable Sanforized Denim Jeans in faded blue, wheat, brown. Sizes 4 to 8.

SECOND FLOOR

Toddlers'
Training Pants

4 Pair \$1.00

Double crotch training pants in sizes 1-2-3. Low Penney price.

SECOND FLOOR



Sleeveless
Blouses

Women's and Girl's

88c

Machine washable of Sanforized cotton. Many colors to choose from. Women's sizes 32 to 38. Girl's sizes 7 to 14.

SECOND FLOOR

Toddlers' Shirt
And Short Sets

77c

Drip-dry, skip ironing! Shorts and shirts in wonderful dacron nylon seersucker. Sizes 2-3-4.

SECOND FLOOR

Women's Sturdy
Twill Jeans

2 For \$3.00

Sanforized black or red twill to insure proper fit. 9-ounce cotton twill.

SECOND FLOOR

Women's
Nylon Hose

2 Pair \$1.00

First quality, 15-denier, 60-gauge nylons give you sheer-ness plus wear.

MAIN FLOOR

Women's Shoe
Clearance

\$2 And \$3

Clearance of discontinued styles of women's much higher priced shoes.

DOWNSTAIRS STORE



PENNEY'S
PENNSHEENS
Are
Happy Pickin's!

\$1.98 \$2.98

Tops 'N Blouses
Pants
Sizes 7 to 14

Sizes 3 to 6x
Blouses, 1.98
Pants, 2.98

Smartest mix-match girl-wardrobe that ever went skating 'n soda-ing! Striped 'n solid colors... trimmed vice versa! They machine wash, resist wrinkles, and go light-iron happy!

SECOND FLOOR



Penney's Sets the Sportin'
Pace With
CREPE SOLE CASUALS

So-o soft glove leather and cushion crepe soles get together to give you the softest walking ever! White or grey. Sizes 5 to 9.

3.98

DOWNSTAIRS STORE

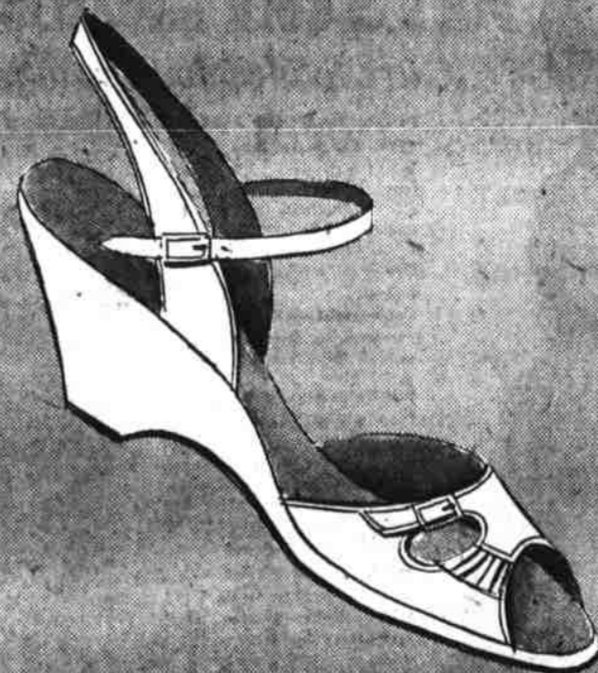


Women's Cool
Nylon Mesh
Wedgies

\$2.98

Enjoy unlimited walking pleasure in these smartly nylon mesh wedgies, upper trimmed with matching Swiss braid. Sizes 5 to 9, AA and B widths. White or beige.

DOWNSTAIRS STORE



Special Feature! Women's
SUMMER WEDGES

Specially priced and what a bargain. Comes in white, white bark or red. Sizes 5 to 9.

2.98

DOWNSTAIRS STORE

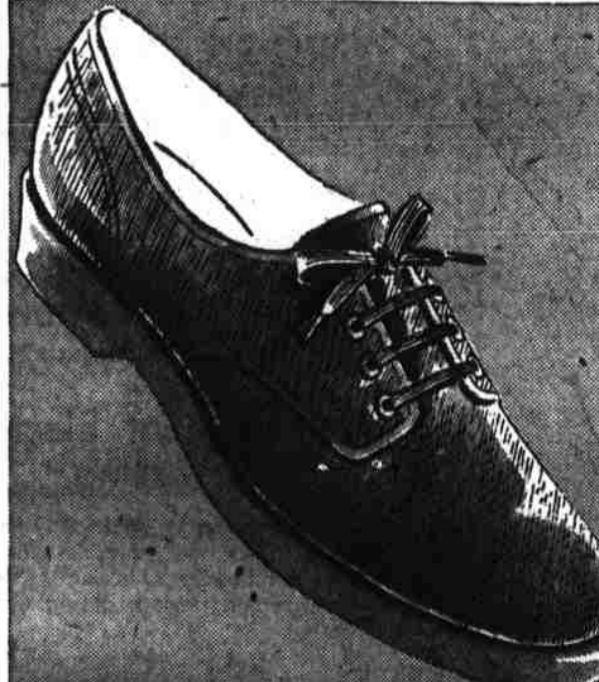


Fashion Opens
Up in Straw-
Cloth Wedgies

\$3.49

Light 'n bright and comfy soft to wear... wedge heel casuals in bolds and blends of straw. Ankle strapped to stay on in action! Airy. Sanitized!

DOWNSTAIRS STORE



FOR WORK OR PLAY
THICK SOLE CASUALS

Fine quality at big Penney savings! Easy on the feet cushion insoles resist excessive perspiration. Heavy duck uppers, molded rubber outsoles. Sanitized. Washable!

3.98

Women's Sizes
4 1/2 to 9

DOWNSTAIRS STORE

Penney's Will Be Open Monday And Wednesday Til 9 P.M. This Week Only!