

VIEWSON BUSINESS

Business Men of Country Vary in Views on Recession

Editors Note: Business men hold varying views of the business recession, ranging from optimism to pessimism. Between the extremes are a large number believing an upturn will begin next spring. These views, and those of economists and others studying the scene, are described in the following article by Sam Dawson. Associated Press business news columnist.

By SAM DAWSON

New York (AP)—How do businessmen themselves assess the present slump? How do their guesses on its probable length and depth stack up with those of economists and others publicly charged with telling us where we're heading?

Guesses range all the way from saying we'll hit bottom before the end of this year to forecasts that we won't until the end of 1950, but average off somewhere about the time of the first robin—next February or March. But let's not forget those who still hold that inflation can become a threat again soon.

Here are the current opinions of a number of leaders in industrial and public life. You'll note that what they do has much to do with what they foresee.

One of the most pessimistic is the head of a construction materials company. He says we have about 18 months more of recession in store. He reflects, perhaps, the belief that the building industry will be one of the last to be hit by the piecemeal slump, and the last to recover.

On the other hand, president of the National Machine Tool Builders association thinks the worst is over, saying that the first half year orders in his industry already are averaging higher than in the last quarter of 1948.

Predictions in the steel industry have mostly set early 1950 for the turning point from their decline, now gathering speed. In the auto industry, unhurt as yet, we have the prediction of the president of General Motors that the next "60 to 90 days will be very interesting in the history of our country." Others say the auto industry will be the last to feel the recession, and that it will hurt them least and for the shortest time.

Opinions of retailers, purchasing agents, and middlemen generally reflect their belief that prices haven't come down far enough yet.

The slump is only half over and more "realistic price adjustments" are due, says the chairman of the business survey committee of the National Association of Purchasing Agents. That would give the slump about nine more months to run.

But the general credit manager of the Commercial Credit Co. of Baltimore says prices won't reach bottom within the next year. And an economist for Macy's New York department store, says it "may be six to 12 months before we attain a right degree of price balance along a broad economic front."

A Harvard business school professor of marketing estimates we are from one-third to one-half way down the business slope. The international

months ago President Truman told congress the deadline was approaching and the act should be renewed. The house approved it. But the senate has dawdled.

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statistical bureau says the low point will come late this year or early in 1950, and thinks it will take each industry an average of nine months to recover half the ground it lost.

Guesses as to unemployment range to 5½ million by September. It's over 3 million now.

How about wages and salaries? The chairman of Consolidated Groceries says they'll probably stay where they are, and that other ways to cut costs must be found. The president of General Electric agrees that every effort should be made to

keep them where they are, but he also says they mustn't go any higher right now.

Silverton—Among members of the First Christian church attending the week's session at Turner residing in cottages on the camp grounds are Rev. Arthur Charles Bates, Mrs. Bates, Mrs. Lydia Dawes and Mrs. Carole Rold. Each day driving to Turner for the services have been several car loads of other members for special day and evening programs of the Oregon State conference of Christian churches.

Mill workers at four Salem plants that have been idle for 88 days will immediately return to work following a vote by the union Thursday night to accept a compromise offer from the operators.

The millmen had demanded an increase of 17½ cents. The operators offered 1½ cents. The compromise offer is an increase ranging from 5 to 12 cents.

F. D. Van Sweringen, executive secretary of the Building Trades council, said the new top bracket wage is \$1.90 an hour. Workers in the second bracket were raised 7½ cents to \$1.67½, and the lowest bracket got a 5-cent raise to \$1.50.

Four Salem plants were involved. They were Keith Brown Building Supply, Oregon Pulp & Paper, Reinholdt & Lewis, and Salem Willamette. The Brown and the OP&P were picketed.

The vote by the Salem local to accept the offer was 104 to raising apartment buildings at Bonneville was farthest under the estimate. The engineers had list \$71,904 as probable cost.

Another Salem firm, Gordon and Co., bid \$4640 for fireproofing and installing an alarm system in a dormitory in the Meridian dam housing area at Lowell. The estimate was \$5,200.

G. E. Dennis & Son, Portland, bid \$9,497 for revetment repair at Budds Chute on the Willamette river four miles northeast of Independence. The estimate was \$11,527.

Portland, July 1 (AP)—Bidders on three of four jobs made offers under government cost estimates, Col. O. E. Walsh of the corps of engineers reported. Neuman & Co. Salem, with a \$49,860 offer for repairing and 11. It had previously been accepted by the Portland local by a vote of about 2 to 1.

Capital Journal, Salem, Oregon, Friday, July 1, 1949—9

Sheriff Young Issues Warning

Sheriff Denver Young has issued a warning to merchants or anyone cashing checks to exercise unusual care as a wave of bogus checks is on, he says and law enforcement officers are being hard put in meeting the situation.

The sheriff said a social security card furnishes no adequate identification of a check passer. Where there is doubt he suggests the bank or maker of the check be contacted.

Transient workers now are flooding stores and service stations with checks and they buy some food or other articles and receive substantial sums in change which may cause heavy losses to the business men in case of bogus paper. Law officers will be assisted materially by the merchants exercising due care in securing identification before passing out the money and goods.

Trade Agreement Measure Expired

Washington, July 1 (AP)—The Reciprocal Trade Agreements Act died last night—at least for a while—because congress failed to get around to renewing it.

This act is a cornerstone in our foreign policy. It was first passed in 1934 under the guidance of President Roosevelt and Secretary of State Hull to build up better trade with other countries.

It has been renewed repeatedly since then by congress, the last time in 1948 when it was made clear the act would die June 30, 1949 unless congress acted to continue it.

Months ago President Truman told congress the deadline was approaching and the act should be renewed. The house approved it. But the senate has dawdled.

Maybe in a month or so the senate will finally do something about it. In the end, congress is expected to continue the act for at least another year, maybe another three years.

Montgomery Ward Reduces Prices

Chicago, July 1 (AP)—The fall and winter catalogue issued by Montgomery Ward and Company, officials said yesterday, contains the most extensive price reductions since 1938.

Officials of the mail order house said reductions, as compared with last fall's catalogue, included women's and misses coats and dresses down 4 to 39 per cent; furniture 10 to 15 per cent; radios 10 to 20 per cent; auto batteries 15 to 25 per cent; and men's working clothing 3½ to 20 per cent.

Also marked down were several building material items. These include oak flooring, down 29 per cent; kitchen cabinets, 21 per cent; shingles, 12 per cent, and paint, 15 per cent.

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Millmen Offer New Schedule

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