

Mid-Year Farm Price Trends Told by OSC; Hay, Potatoes Lead

Hay and potatoes are about the only Oregon farm products that have been bringing better than average prices recently based on the past 10 years. M. D. Thomas, Oregon State college agricultural economist, reports in his mid-year farm outlook.

Both hay and potato prices are running well above the 10-year average level. But Oregon's principal farm products—beef and dairy cattle—have brought returns more than one-fourth under average.

The average for all Oregon farm products at mid-June was 4 percent under the same time last year and 10 percent below the average for the past 10 years, says Thomas. Even so, the worst of the decline in farm products prices seems to be past for the time being at least.

The economist reports the following trends at mid-year:

Hog marketings will probably reach their summer low in July, then start moving up toward a November and December peak. This means hog prices are now close to the high point of the year, but aren't likely to fall as far as they did last year.

Supplies of fed beef, usually smallest during July-September, are likely to be smaller this year than last. And while the supply of grass-fat cattle may be larger than last fall, range conditions are better, especially in Oregon. This means stocker and feeder cattle prices this fall shouldn't take the slump they did last year. Prices in October and November aren't likely to be much lower than they were last fall—and could be a little higher, if the nation produces another large grain crop and fat cattle prices hold as strong during the next three months as seems probable.

Oregon's spring lamb market broke as usual about the middle of June, after opening in May at prices somewhat above a year earlier. Prices during the next three months will probably work down some more, but aren't likely to go below the same time last year.

Wheat supports seem likely to average only 8 cents a bushel under last year. That is much less than the maximum drop permitted under present legislation.

The 1956 farm act boosted supports on barley and oats, so they will now be around \$2.50 a ton higher than a year ago instead of \$1.25 lower as had been expected. And since grain storage appears adequate in the Northwest, market prices seem likely to hold close to support levels less storage costs.

Seed markets are also getting a new shot of life. Poor crops in this country and abroad, along

WASHINGTON AND "SMALL BUSINESS" By C. WILSON HARDEE

Results of forthcoming investigation of airlines by Civil Aeronautics Board will be interesting.

Actually, CAB was prodded into action by Sen. John Sparkman, chairman of the Senate Small Business Committee, and Rep. Emmanuel Celler, chairman of House Judiciary Committee.

The action that CAB takes, or does not take, could lead into a full-scale Congressional review. C. W. Hardee of the many regulatory bureaus in several fields that Congress has set up over the years.

In 1938 when commercial aviation was young, Congress passed the law setting up CAB with authority to regulate routes, schedules and rates.

But since 1938, although air travel has grown by many hundreds per cent, CAB has consistently refused to allow any new airlines to fly scheduled trunk lines. In other words, since 1938, competition has been frozen out of the industry by bureau edict.

As Sen. Sparkman says, "There is room under the law to establish additional trunk lines. There is definitely need for more competition." And Rep. Celler says, "I don't believe the CAB has been abiding by the anti-trust laws. They have been more or less rubber stamping everything the Air Transport Association has proposed."

The Air Transport Association is composed of the 13 major domestic airlines.

Now here is a curious aspect. Although CAB believes airline profits should not exceed 8%, for the past five years airline profits

have ranged from 10.4% to 14.6%, after taxes. Last year profits averaged 11.8%.

Several times in past CAB has made gestures toward lower fares, but nothing happened.

Trans-American Airlines, formerly North American, has long sought permission to fly regularly scheduled runs at substantially lower fares.

Yet, in local areas, there is every evidence competition has brought fares down. In California, for example, CAB was not able to stop scheduled air service by independent companies operating within state boundaries. Thus on two hour, 400 mile route between San Francisco and Los Angeles, majors fly for only \$13.50. Yet from San Francisco to Seattle, a run less than twice as long, but which can only be flown by two major airlines, the fare is \$32. These are coach fares.

Rate schedules now in effect should give CAB ample evidence that to all appearances, airline fares are based to some extent on just how much competition there is on a given route.

In addition, last year, to very substantial air mail payments, CAB permitted over \$3 million to be paid airlines in direct subsidies, despite the record profits.

It will be interesting to see what CAB comes up with. There are many indications that Congress will jump into the situation with both feet. In fact, a widespread brannigan could develop whereby Congress would investigate to determine if not only CAB, but the Interstate Commerce Commission, the Federal Communications Commission and other regulatory bureaus are not usurping their authority to foster monopolies. A preliminary study of the trucking industry by the Senate Small Business Committee has already given indications this may exist.

with the soil bank, are combining to bring new strength into the picture.

Oregon hay prices are high, but the quality of first cuttings was none too good in many parts of the state. Hay prospects and pasture conditions across the state are much improved over last year. So the odds are against the kind of increases seen in hay prices during the past two winters.

However, hay sellers may be tempted to hold too long, while hay users will want to play it safe and buy a fair share of their needs early. This should keep hay prices up at harvest time.

The spring hatch of laying chicks slowed enough in April and May to keep poultrymen out of serious trouble this fall. Stocks of fresh and frozen eggs are under a year ago, and egg-feed price ratios about the same as last fall, unless an unusually large number of the heavy breeds are sold as fryers. Hatchings of "heavies" through May were up 28 percent over last year and settings for June showed a similar increase.



STATE JUVENILE LAWS

Next to refurbishing Oregon's taxation laws the problem that stirs most holdover Senators, present members of the House who are up for reelection and new candidates, is strengthening the laws on juvenile delinquency.

Juvenile delinquency continued to increase in 1955 and this year's surveys show the same tempo of worsening.

The last annual report of the U. S. Children's Bureau, 1955, shows that some 977 juvenile courts reported for 1954 and 1955 a nine per cent increase in juvenile delinquency cases.

Estimates based on reports of 383 courts which have been reporting to the bureau for many years likewise show an identical increase of nine per cent for the same period.

The latest Federal Bureau of Investigation Uniform Crime Report showed an 11.4 increase in arrests of young persons under 18 in 1955, compared with 1954. The report was based on data from 1,162 cities.

TRAFFIC SAFETY CHIEF

Captain Walter Lansing, veteran state police officer on special assignment as traffic safety coordinator, was put in charge of the state's revised and expanded state police training program by Gov. Elmo Smith Friday.

As a successor to Lansing the governor named James R. Banks who has been assistant director for the past seven years. Banks was also named executive secretary of the newly organized Oregon Traffic Safety Commission. Banks has served as consultant for the president's committee on highway safety in 1949, 1951 and 1956.

OPINIONS ON STATE LAWS

A rule or regulation of a school board excluding married pupils from public schools, if the pupils are otherwise eligible, would be invalid, Attorney Robert Y. Thornton ruled recently, with other opinions including:

A contract whereby a company for a fee, is obligated to inspect new automobiles and warrants the accuracy of its inspection is not a contract of insurance.

A regular employee who is a salesman for a corporation buying, developing and selling its own real estate is not required to be licensed as a real estate broker.

A holder of a State Engineer's permit to appropriate water has merely an in-choate right to divert and use such water; and that right is prevented from becoming a vested right by withdrawal from the waters from appropriation by the legislature.

In state civil service positions employees are not required to be licensed although their work done for the state would be subject to license if done in private employment. The state is not limited

by a statute unless therein named, or included by necessary implication.

STATE FAIR SHOWS BUZ

Helene Hughes, nationally acclaimed producer of stage shows, was at the State Fairgrounds this week making arrangements with Manager Leo Spitzbart for the enlarged performances this year. Dance numbers will range from the days of the "Roaring Twenties" to the modern day dance.

With the opening date less than six weeks away—Sept. 1—all the commercial exhibitors space in the buildings has been sold and concessioners space is going fast.

DEMOCRATS WARM UP

At Corvallis Sunday Robert Boyer, Medford, was elected as chairman of the Democratic state central committee at a well attended meeting with all counties represented and delegations from all except one county.

Robert D. Holmes, Democratic candidate for governor, opposing Gov. Elmo E. Smith, said "... this is going to be the best Democratic year in Oregon history. Principally because of the current type of G. O. P. leadership on national and state levels that have blind spots for the small businessman, the farmer and other laborers."

Lexington News

Mr. and Mrs. Dale Hatfield and family of Lebanon visited last week at the Don Hatfield home.

Mr. and Mrs. Elmer Hunt were Lexington visitors on Sunday.

Mrs. Irene Thomas and child-

ren have moved to Lexington and will occupy the house owned by George Steagall known as the "Peterson home". Mrs. Everett Crump and children of Corvallis, are visiting her mother, Mrs. Emma Breshears. Phone Your News to 6-9228.

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