

Record Six Months of Business Borrowing Prompts Credit Tightening

Military Legislation of Major Import; Compulsory Training Most Controversial

Washington — (U.P.) — Congress during the past session approved some of the most far reaching military legislation ever passed in peacetime.

The bills ranged from an unprecedented compulsory military training plan to money measures designed to push the Air Force into the day of intercontinental jet bombers and ballistic missiles.

As could be expected in a day when two-thirds of every federal dollar is going into defense, military legislation occupied much of the time and talk of the congressmen. Throughout the year there was a running argument over whether the administration was building up the Air Force fast enough to offset Russian air power gains and whether the ground forces were being weakened too much by manpower reductions.

Despite some Democratic grumblings, particularly in the Senate, Congress approved for the most part the military legislative program laid before it by President Eisenhower. Through

appropriations bills, Congress, in effect, endorsed the administration's "new look" strategy, with its primary emphasis on air power.



STAINCHLY DEFENDING Sgt. James C. Gallagher, being court-martialed at Governor's Island, N. Y., on charges of collaboration, unpremeditated murder in Korea are his mother, Mary (left) and sisters, Mrs. Patricia Slee and Mrs. Regina Milus, who watches embrace during trial recess. (International)

The most controversial military bill was the administration's top priority request for a compulsory reserve training program. The program, after becoming temporarily snagged on the segregation issue in the House, finally was approved by Congress in a modified form.

The reserve bill will require that for the first time in the nation's history youths must participate in the reserves following active duty. The bill also inaugurates a new form of military service by giving pre-draft age youths six months training followed by 7 1/2 years in the reserves.

Along with the reserve plan, Congress also approved a four-year extension of the draft law and a two-year extension of the doctor draft.

AUSTRIA TO GET OIL

Vienna — (U.P.) — All Russian-administered enterprises in Austria will be handed over to Austrian authorities Aug. 13, it was announced officially today. They will include rich oil fields confiscated after World War II as German property.

General Motors turned out half of all automobiles produced in the United States in 1954.

Reserve Banks Up Discount Rates As Inflation Curb

Washington — (U.P.) — The government put another mild brake on credit, effective today, as part of its program of keeping the nation's economy from booming into inflation.

Four federal reserve banks increased their loan discount rates in the government's second recent move to hold inflationary factors in line. Federal reserve loan discount rates tend to increase interest rates generally and thus curb borrowing.

The Federal Reserve Board action came five days after the Federal Housing Administration and the Veterans Administration increased down payment requirements on homes and shortened the terms of FHA and GI home loans.

Record Rise in Loans

The Federal Reserve Board's move, announced Wednesday, was promoted by the record rise of loans. Businesses borrowed \$2,000,000,000 the first six months of the year for a new January-June record. The Federal Reserve Bulletin also reported bank loans to consumers through June totaled a record \$32,471,000,000. Real estate loans, the Bulletin said, were swelled by about \$1,300,000,000—a new high for the first half of any year since World War II.

An increased discount rate means that member banks borrowing from federal reserve banks will have to pay higher interest. This was the second boost of the year.

The discount rate went from 1 1/4 per cent to 2 per cent in Atlanta, Boston and Chicago and to 2 1/4 per cent in Cleveland. The other eight banks in the Federal Reserve System were expected to follow the lead of the four in hiking the discount rate.

Consumers Level Stable

The federal reserve's move was aimed at "preventing inflation," a government official said, and is not to be interpreted as a recognition of existing inflation.

It was pointed out that the consumer price level has been stable the past six months after a decline from the peak reached in 1953. Bureau of Labor statistics officials reported a slight gain in the price index in June but expect little change the rest of the summer.

Officials hope the tightened credit will have greatest effect on the so-called "fringe borrower," particularly those buying automobiles on credit. Automobile loans rose to an estimated record \$12,561,000,000 in June—the largest single item in consumer debt.

BOY SCOUTS

Jacksonville Troop 35 Eleven boys of Troop 35 returned last week and from Scout camp at Lake O' Woods. Don Wendt, assistant scoutmaster, served in place of Scoutmaster Lynn Bernston who was unable to attend.

The boys were Edward Graham, Pat Hubbard, James McCormack, Charlie McCormack, Philip Winningham, Bruce Bray, Gary Romine, Billy Hall, Kenneth Perreard, John Sullivan and Leroy Umberger.

Boating, swimming and handicrafts were some of the activities for the boys, as well as a climb up Mt. McLoughlin. The boys came within two minutes of breaking the time record for the climb. All received mountaineer badges at a special court of honor Friday evening. Two boys awarded second class rank were Kenneth Perreard and James McCormack.

Merit badges went to Kenneth Perreard, Philip Winningham, Edward Graham, Pat Hubbard, James and Charles McCormack. Wendt was installed into the honorary Order of the Arrow.

Republican Picnic Open To Public

The Republican picnic planned for TouVelle State park Saturday, Aug. 13, is open to the public. It was emphasized today by members of the committee.

The event is under the sponsorship of the Jackson County Republican Women's club, and is a "family style" event, with care to be provided for children. State Sen. Elmo Smith, John Day, will be one of the speakers, and it is also hoped that Sen. William F. Knowland, California, U.S. senate minority leader, will be able to attend.

PILOT KILLED Kimberly, Ida. — (U.P.) — A crop dusting pilot, Clifford Bolyard, was killed last night when his plane struck a power line and crashed and burned while he was circling his home at Kimberly.



APPEARING to be cinch winners of "sleepiest" baby contest at Ladera Park, Cal., two entries proceeded to wake up as judging began—and lost. They are Randy (foreground) and Johnnie Aprahamian, 6 1/2 month old twins. (International)

Heidt Auditions At 7 p.m. Saturday

Auditions of performers who want to take part in "The American Way," show which will be presented here Aug. 16 by the Horace Heidt troupe will be held Saturday, Aug. 6 at 7 p.m., in the studios of radio station KJYC, instead of 8 p.m., as announced earlier.

The show is sponsored by the Medford Active club to aid in their high school scholarship fund. The fund, now in its sixth year, offers a \$250 scholarship to a boy or girl having a real need for education but lacking money, according to Jack Cummings, a member of the organizations.

Tickets are on sale at the Purucker Piano house, 111 North Central ave.

China has two of the world's greatest rivers, the Yellow and the Yangtze.

Lakeview Youngster Dies in House Fire

Lakeview — (U.P.) — Debbie Jean Job, 1 1/2, burned to death here yesterday afternoon in a fire at her home. Her four-month-old sister, Kathy, was hospitalized with serious burns. Firemen managed to put out the blaze before it destroyed the home. Cause of the fire was not determined.

In Medford It's Modern

DOROTHY HALL
Hair Stylist
Appointments — August 6
PERMANENTS and STYLE
APPOINTMENTS
Evenings — 5 to 5:30 P.M.
Modern BEAUTY Salon
131 S. Central—Phone 3-5379

SAVE!! MARK DOWNS!! SAVE!! BIG REDUCTIONS

BIG VALUE DAYS

SPECIAL BUYS!

Big Y Thrift Dept.
Special for Thur., Fri., Sat., Sun.

Useful for entertaining, as an end table, a snack table... practical too for a sewing or reading table.

TV Trays

Sturdily constructed with heavy, rubber-tipped, tubular legs. Standard size Tray, decorated in a variety of patterns from which to choose. This modern tray has many home uses... take advantage of this Sale Price!

98¢

ONCE AGAIN WE HAVE

Scrabble

Just received a shipment of the ever popular game Scrabble. Enjoyed by both young and old. Stock is limited. While they last.

2.69

Set

OUTDOOR

Horse Shoes

2 Full Sets. 2 Pegs of Hardwood — 4 Rubber Horseshoes official size, flexible, unbreakable. Played indoors, outdoors — the year around

1.89

Set

ALUMINUM

Drip-O-Lator

Made of pure aluminum. Sanitary, rust-proof. 6 Cup Size.

98¢

PLATE and PAN

Scraper

Blade is made of heavy rubber with plastic handle. Blade is odorless & tasteless.

27¢

WOODEN

Spoon

Smooth finish hardwood. 14-inches long. Ideal to use when canning.

9¢

ALUMINUM

Jell Molds

Assorted sizes and shapes. Individually packaged. 4 to a package.

1.9¢

ALUMINUM CAKE

Decorator

Combination Cookie maker and Cake Decorator. 8 cookie disks, 4 decorator tips.

59¢

BIG Y Thrift Dept.

INDIAN BRAVE Bow and Arrow Set

Made in Tennessee, the land of Davy Crockett. Genuine hickory bow with three arrows.

Set 89¢

Welcome as a BREEZE

PIGGY WIGGLY'S

"COOLOFF" SUMMER TREATS

REFRESHING FAMILY FAVORITES!

Van Camps

PORK AND BEANS

Lge. 2 1/2 tin. Reg. 25¢

19¢

E-Z POP

Popcorn

Pkg. 39¢

MJB Black

Tree Tea

16 Bag Ctn. 19¢ 1/4 Lb. 39¢

Hawaiian

Punch

46-oz. tin 39¢

Rye-Crisp Wafers

8 1/2-Oz. Pkg. 25¢

Hoody's—18-Oz. Jar

Peanut Butter

Regular or Crushed 55¢

Hudson House

Tender Sweet Peas

Reg. 20¢ No. 303 Tin 3 for 49¢

Large Size

PEPPERS

3 for 14¢

Large Size

LEMONS

35¢ Doz. Full of Juice

Fancy Local Grown

Sweet Corn

6 EARS 25¢

U. S. No. 1 IDAHO RUSSET

Potatoes

10 LBS. 49¢

WE CARRY THE FINEST

Black Rebieb Grapes
Thompson Seedless Grapes
Local Apricots
Nectarines - Elberta Peaches
Santa Rosa Plums

Grain Fed

Pork Roasts

Well Trimmed and Meaty LB. 39¢

Fresh

GROUND BEEF or PORK SAUSAGE

3 Lbs. \$1.00
Medford's Best

Fresh

Halibut - Red Snapper

Chinook Salmon
Prawns and Oysters

LARGE

FRANKS

LB. 29¢

526 SOUTH RIVERSIDE