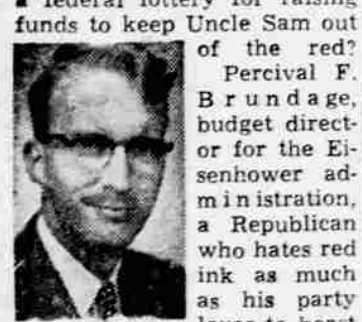


Federal Lottery to Get Funds For Treasury Opposed by Solon

By A. ROBERT SMITH
Mail Tribune Correspondent



Washington — What about a federal lottery for raising funds to keep Uncle Sam out of the red? Percival F. Brundage, budget director for the Eisenhower administration, a Republican who hates red ink as much as his party loves to boast of balancing the budget, wouldn't mind experimenting with something akin to a lottery.

What Brundage thinks the chief beneficiary of all the gambling that goes on in this country is the underworld. He wouldn't mind if a little more of it could be scraped off the table into the U.S. Treasury.

"I wouldn't mind experimenting with a bond issue with a redemption bonus or something like that," Brundage said last week. "But I don't think the secretary of the treasury would approve."

British Bond Lottery
He was apparently referring to the British bond lottery. By this system, bonds are sold to the public at \$2.80 each. They have a short redemption period, but no guaranteed interest payment. The lucky ones get the interest—some receiving as much as \$2,800—and the others receive only their original in-

vestment.
As for a national lottery, Brundage said he didn't think it was a practical idea.

The day after the New York Herald-Tribune published a front page story on this under the headline "Budget Head Suggests Federal Lottery Bonds," Oregon's Sen. Richard L. Neuberger took the Senate floor "to state for the record my emphatic opposition to the recent proposal of Budget Director Brundage that we rely upon a federal lottery to collect funds for the U.S. Treasury."

Three Reasons
Neuberger said the idea was wrong for three reasons:
1. It would tap the pocket-books of our citizens not on the fair basis of ability to pay, but merely based upon who was the victim of a gambling neurosis.

2. It inevitably would encourage state and local governments to depend upon a similarly unsound method of filling their coffers.

3. It could have an unfortunate impact upon the nation's standard of living, because many of those pouring their incomes into the federal lottery might be heads of large families with only limited financial means.

The senator said he thought Brundage would have done better to "speak out in favor of abolishing depletion allowances for a few favored industries, or in favor of reimposing the excess profits tax on manufacturers of arma-

ments and munitions—a tax which the Republican national administration unwisely permitted to expire."

Quotes Director
As for gambling itself, Neuberger quoted the director of the Chicago Crime Commission, in a book called "Gambling: Should It Be Legalized?" as saying "gambling is injurious to the morals and welfare of the people."

"As I see it," Neuberger said, "a form of federal lottery would put the imprint of the U.S. government on legalized gambling. The prestige of Congress and the White House then would back such a proposal. Once the federal government had endorsed this kind of operation for raising federal revenues, how could we censor any states or localities which followed suit by legalizing slot machines, roulette wheels, pinball machines or dice games? Gambling is gambling. How are you going to draw the line?"

Neuberger said he found it "inexplicable that a man so highly placed in our national government . . . would suggest the collecting of federal revenues from a national lottery. How can a minor hoodlum or corrupt magistrate now be assailed for voicing a similar proposal, when it has come from an office as influential as that of the president's budget director?"

The senators from Nevada offered no defense of their state's most lucrative source of revenue.

Baghdad Pact Remains Weak Despite U.S. Saving Conference

Ankara, Turkey — The United States saved the Baghdad Pact conference from abject failure.

But the "Northern Tier" alliance is still a weak fledgling which could be pulled apart by the conflicting interests and fears of its members—Turkey, Iran, Pakistan, Iraq and Britain.

As a collective security organization, the Pact still has a long way to go. It is beset by problems which often threaten to obscure its basic purpose—defense against the Soviet Union.

Secretary of State John Foster Dulles, now en route home, was satisfied, however, that the four-day meeting which ended Thursday turned out better than he expected. Two key speeches by Dulles made the difference.

The Moslem members reflected the changed atmosphere in their closing speeches.

When the premiers and foreign ministers met Monday in the still unfinished Turkish

Grand Assembly Building there was a definite feeling that Dulles was bringing only himself to the conference, and that was not enough.

In addition to their own individual troubles, the pact members tended to feel they were not getting either moral support or the money they needed from the U.S. to meet the Soviet penetration of the Middle East with its program of threats and economic aid.

The turning point came Wednesday, the day before the conference ended.

On the opening day, Dulles already had reaffirmed that U.S. "mobile power" would be used under the Eisenhower Doctrine to back the pact members against any Communist aggression.

Wednesday he surprised the Moslem members by offering another 10 million dollars for a project to improve wire communications between the Middle East capitals.

Loans Promised
He held out the prospect of

loans for other regional development projects for Pact members from the American Loan Fund for Economic Development. The psychological impact of the promise went beyond the actual amount promised.

Equally important, Dulles answered the claims of Soviet "aid" with a detailed analysis of how much and how little it actually was compared with aid from the U.S. and the Free World. It showed plainly U.S. aid was far greater than Soviet aid and it satisfied the Moslem leaders.

The military part of the conference approved holding the pact's first combined staff exercises by its new combined military planning staff in the near future.

The planning staff is perhaps only a small step toward a joint command, needed for NATO-like solidarity. But permanent planning to coordinate the defense plans of the individual countries has just begun, and any joint staff is still a long way off.

Home Building Barometer Of Business Conditions

By ELMER C. WALZER
United Press Financial Editor

New York — The stock exchange firm of Green, Ellis and Anderson regards the home building industry as a barometer of business.

Right now says Miron MacNamee, analyst for the firm, housing is one of the few areas bucking the trend—and it "may be signaling a broad recovery by industry."

MacNamee holds that housing often has shown strength when the economy has been

in the doldrums—and has also been known to slump when everything else seemed right with the world.

He cites the situation of the twenties when the building boom reached its zenith in 1925 and then eased, foreshadowing the lingering depression of the thirties.

A much more recent example, he notes the decline from the 1955 high of 1.5 million housing starts set early that year and carried over to 1957, a decline that

foreshadowed the current recession.

"The economy," he says, "probably won't pickup a full head of steam before the fourth quarter of this year if there. So producers of building supplies will have to wait a while to recapture fully their peak earnings of 1954-55."

"But there's no mistaking their better times. The pickup began in October last year, is gathering momentum. Predictions agree on a total of 1.1 million housing starts for the year—up seven per cent over 1957 and not bad for a start."

He estimates total private construction for 1958 at 35 billion dollars. Except for housing starts, he sees the biggest shot in the arm will come from government. This will include public outlays for schools, and roads.

Add everything up, says MacNamee and the public and private building total will run to some 50 billion dollars.

Housing will be the biggest beneficiary. Added to new housing starts, will be about 18 billion dollars in maintenance and repair work.

Also, he notes there are missile sites to be built—they are huge and call for many of the materials going into residential home construction."

The firm favors the gypsum companies rather than plywood companies or makers of asphalt products because the gypsum group has come out of its recent retrenchment with earnings pretty much stable and dividends secure.

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Woodland Owners Get \$331,408 in Six Months

Salem — Farm woodland owners throughout the state received an income in the amount of \$331,408 from the sale of forest products during the last half of the 1957 calendar year through the assistance of the farm foresters, according to State Forester Dwight L. Phipps.

He indicated that the products included in the sale consisted of 14,721,000 board feet of timber as well as 17,000 pieces of piling, posts and poles. One item that has shown an increase each year has been the sale of Christmas trees and floral products. During the current season this was fixed at \$41,729 under the farm woodland program alone, Phipps stated.

Extend Advice
During the six-month period the foresters extended advice and assistance to 727 woodland owners representing 31,492 acres of forest land. Within the area they demonstrated tree marking procedure to be followed by the owners in harvesting 3,245,000 board feet of timber as well as 725 cords of fuel wood, the forester added.

"One of the rapidly increasing activities of the farm forester is the work in connection with the acreage con-

servation program and the conservation reserve program," Phipps stated. "Under the former the farmer is given federal reimbursement for following approved forestry practices such as planting, thinning, pruning and similar activities, while under the latter he receives cost sharing reimbursement and annual payments over a period of years for taking land out of production and planting it to trees."

"Under the acreage conservation program the farm foresters have examined 622 different woodland areas and submitted reports to the county committees. Under the latter, examinations have been made of 61 separate plantations."

"Just a short time ago the state set up a statewide program under the conservation reserve program, with foresters stationed at Salem, Medford and Prineville. With this increased personnel we expect a tremendous increase in the activities under the conservation reserve program."

The population of the United States multiplied rapidly after the Civil war, a gain of almost threefold between 1865 and 1910.

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Ghirardelli Milk Chocolate Wafers (Mint or Milk) 7-oz. pkg. 39c 3 for 1.00 Save 17c

Skippy Dog Food 3 cans 29c 13 for 1.00 Save 26c

Snows Minced Clams 8 1/2-oz. can 31c 4 for 1.00 Save 24c

Snows Clam Chowder 15-oz. can 29c 4 for 1.00 Save 16c

4 Fishermen Frozen Fish Sticks 8-oz. pkg. 41c 3 for 1.00 Save 23c

North Coast Apple Sauce 303 can 2 for 33c 7 for 1.00 Save 16c

Argo Brand Figs 303 can 2 for 39c 6 for 1.00 Save 17c

Del Monte Fancy Grapefruit Sections 303 can 23c 5 for 1.00 Save 15c

Del Monte Mary Washington Asparagus No. 303 cans 41c 3 for 1.00 Save 23c

Cresswell Short Cut Green Beans 303 can 2 for 29c 8 for 1.00 Save 16c

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