

Pennsylvania, New York Central Rail Merger Voted

Shareholders Overwhelmingly Approve Plan

By United Press International
Shareholders of the New York Central and the Pennsylvania railroads have voted approval of a merger of the two lines into a \$5 billion, 22,000-mile railroad system, it was disclosed today.

The shareholders held their annual meetings with officials of the respective companies in New York and in Pennsylvania, the NYC at Albany and the Pennsy at Philadelphia.

Before the NYC meeting got under way, NYC President Alfred E. Perlman said the latest count of mail proxies showed about three-fourths in favor of the merger into what would be the largest rail system of the nation.

At Philadelphia, Board Chairman James M. Symes said that Pennsy shareholders have voted approval by an overwhelming majority: 85 per cent of the 13.1 million shares have been tabulated, and 83.2 per cent of those shares were in favor of the merger.

Directors of both roads already have approved the merger and have petitioned the ICC for permission.

The Pennsy-Central marriage plan is part of a grand design to create three balanced and competitive rail systems in the eastern part of the nation. The others would be built around the Chesapeake & Ohio and the Norfolk & Western.

However, officials of the Pennsy and the Central are expected to caution their shareholders today that mergers represent only a temporary life-line to give the sinking industry a breathing spell until legislative relief is enacted along the lines of President Kennedy's transportation policy statement.

When the merger was first announced last November, officials predicted that eventual operating savings would total \$75 million a year.

Prospects of consolidating six major eastern roads into three giant systems brightened last week when an ICC hearing examiner recommended approval of the Baltimore & Ohio Railroad as a step toward merger.

The ICC is on record as favoring rail mergers when they deem them in the public interest. However, many industry observers feel that the Pennsy and the Central will not have an easy task convincing federal regulators they no longer are the awesome economic powers they once were.

Labor has raised its voice against the merger. Rail unions have estimated that as many as 25,000 to 30,000 jobs could be lost. However, officials of both roads counter by saying that if the merger falls through, they will have no choice but to continue to lay off workers until they reach the point of no return.

Monday, the Railway Labor Executives Association, and five other parties were granted permission to intervene in the Pennsy-Central merger hearings before the ICC. No date has been set for these hearings.

Last week, hearings were completed on the proposed Norfolk and Western-Nickel Plate consolidation.

The Pennsy-Central merger would create a network with more than 20,000 miles of tracks and annual operating revenues of about \$1.6 billion. Its tracks would stretch from Washington to Boston on the East Coast and reach as far west as St. Louis and Chicago.

Overflow Crowd Hears Gus Hall

Madison, Wis. (UPI)—National Communist leader Gus Hall, earlier permitted to speak in Oregon only after a stir, addressed an overflow crowd of students here Monday night on the University of Wisconsin campus.

A capacity crowd of 1,300 jammed the campus theater and 400 more stood in corridors.

Hall appeared on the Wisconsin campus only over protests from some groups in the state. His earlier appearances in Oregon created a similar fuss, but he was finally allowed to speak at several schools, including the University of Oregon.

In Wisconsin, Hall drew his only enthusiastic applause of the evening when he said a solution must be found to the arms race.

Steel Issues Firm as Most Stocks Mixed

New York (UPI)—Many leading steel firms in an otherwise narrowly mixed stock market today.

Strength in this group developed despite the fifth consecutive drop in the weekly steel production. Lukens and Jones & Laughlin tacked on about 1 each while U.S. Steel and Youngstown added fractions.

Autos were easier and chemicals narrowly mixed. Kern County fell around a point in an otherwise scrambled oil section. Electronics were erratic with IBM down nearly 10, ex-dividend, and Beckman and Litton up a point or more.

Cosmetics, metals, and utilities softened while some tobacco, foods and drugs moved slightly higher.

DOW-JONES AVERAGES
New York (UPI)—Dow Jones final stock averages: 30 Industrials 870.99, off 0.20; 20 Railroads 139.60, off 1.08; 15 Utilities 124.84, up 0.07; and 85 Stocks 230.83, off 0.37. Sales Monday were about 2.53 million shares compared with 3.01 million shares Friday.

Monday's prices on selected stocks

Allied Chemical	44 1/2
Alum. Co. Am.	28 1/2
American Air Lines	20 1/2
American Can	44 1/2
American Motors	16 1/2
A. T. & T.	124 1/2
American Tobacco	40 1/2
Anaconda Copper	45 1/2
Armco	37 1/2
Bendix Corp.	63 1/2
Bethlehem Steel	27 1/2
Boeing Air	47 1/2
Brunswick	33 1/2
Chrysler Corp.	50 1/2
Coca Cola	94 1/2
C.B.S.	40
Continental Can	43 1/2
Crown Zellerbach	51 1/2
Cruible Steel	17 1/2
Curtis Wright	32 1/2
Dow Chemical	32 1/2
Du Pont	232 1/2
Eastman Kodak	108 1/2
Firestone	42 1/2
Ford	96 1/2
General Electric	21 1/2
General Food	85 1/2
General Motors	34 1/2
Georgia Pacific	28 1/2
Greif Bros.	42 1/2
Gulf Oil	42 1/2
Homesite	31 1/2
Idaho Power	47 1/2
I.B.M.	124 1/2
Int. Paper	32 1/2
Johns Manville	51 1/2
Kennecott Copper	76 1/2
Lockheed Aircraft	44 1/2
Martin Co.	22 1/2
Metek	97 1/2
Montana Power	30 1/2
Montgomery Ward	33 1/2
National Biscuit	39 1/2
New York Central	19 1/2
Northern Pacific	37 1/2
Radio Corporation	32 1/2
Richfield Oil	30 1/2
Safeway	49 1/2
Sears	33 1/2
Shell Oil	37 1/2
Southern Co.	50 1/2
Southern Pacific	26 1/2
Sperry Rand (xib)	13 1/2
Standard California (xib)	60 1/2
Standard Indiana	30 1/2
Standard N. J.	34 1/2
Texas Co.	54 1/2
Texas Gulf Sulfur	17 1/2
Texas Pacific Land Trust	18 1/2
Thiokol	20 1/2
Trans-America	44 1/2
Trans World Air	13 1/2
Tri-Continental	40 1/2
Union Carbide	102 1/2
Union Pacific	31 1/2
United Aircraft	40 1/2
United Air Lines	31 1/2
U. S. Plywood	49 1/2
U. S. Rubber	37 1/2
U. S. Steel	35 1/2
West Tank Corp.	25 1/2
Woolworth	29 1/2
Youngstown	92

Political Roundup

Durno Urges American Farm Surpluses Be Given To Hungry People of World

By United Press International
Rep. Edwin Durno, a candidate for the U.S. Senate, called Monday night for the nation to give its stockpiled farm surpluses to the hungry people of the world. He also called for farm controls based on bushels instead of acres.

Durno, seeking the Republican nomination, spoke at Milton-Freewater on a campaign swing through Eastern Oregon.

The Medford Congressman said acreage controls are foolish, since improved farm methods yield more per acre each year. He said bushel limits would provide an iron-clad control.

Another U.S. Senate Republican candidate, Corvallis professor Harold Livingston, called for two immediate steps to aid the lumber industry—adjustments in rail and water shipping.

He said adjustments must be made so that Canada no longer benefits from cheaper foreign ocean shipping and from a 15-day free railroad "warehousing" lay-over for lumber shipments.

Democratic candidate for governor Walter J. Pearson charged Monday he is being opposed by "left-wing radicals who have gotten control of the Democratic party in Oregon."

"They want to defeat me because I have consistently stood against them in the legislature and against their proposals to waste taxpayers' money and to put the state into all kinds of business," he said.

Ex-Congressman Charles O. Porter, seeking the fourth district nomination again, said in Lebanon today that "provid-

ing opposition to the progressive policies of the Kennedy Administration without putting forth constructive alternatives is clearly not the way to help Oregon's lumber and plywood industries." He said Durno had voted against the final version of the Kennedy-supported housing bill. Porter said this "could not possibly be squared with the best interests of this district."

Oregon House Speaker Robert Duncan, another fourth district Democratic congressional candidate, visited President Kennedy Monday. He said he discussed the state's lumber problems with the presidential staff. There was no indication what position the administration would take on various pending bills in Congress designed to help the lumber situation.

Republican senate candidate R. F. Cook criticized President Kennedy's plan to have tax withholding on 20 per cent on interest and dividends.

"This bill is one of the most shocking impositions upon citizens in our history," Cook told a GOP meeting in Hillsboro. "It burdens every corporation and stockholder."

Willis A. West, candidate for the Democratic nomination to Congress in the first district, called for an expanded recreational development program in National Forests. He spoke Monday at Newport.

In Eugene, State Sen. Robert Straub, seeking the fourth district Congressional nomination, declared that "the single most important job facing Congress today is to help President Kennedy develop new avenues to world peace."

Straub said that "although the decision of Kennedy to have this country resume nuclear testing must be supported... we must recognize... that this perilous and tragically wasteful course cannot be continued for long."

Foreign Briefs

SHARP NAMED TOP COMMANDER IN PACIFIC
Tokyo (UPI)—Rear Adm. Raymond N. Sharp will become the U.S. Navy's top air commander in the Western Pacific May 16, the Navy announced today.

AMERICAN GOES ON TRIAL IN GERMANY
Karlsruhe, Germany (UPI)—American businessman Harold Noah Berger, 42, of New York City, went on trial Monday on charges of trying to obtain U.S. military secrets and pass them to Communist East Germany.

HERTZ CALLS FOR COMMERCIAL PARTNERSHIP
Brussels (UPI)—Former U.S. Secretary of State Christian Hertz called Monday for a Free World commercial partnership.

ISRAEL, CYPRUS SIGN TRADE AGREEMENT
Nicosia, Cyprus (UPI)—The first trade agreement between Israel and Cyprus was signed here Monday. Under a one-year agreement, each nation will give the other's products favorable trade treatment.

MALI PRESIDENT TO VISIT SOVIET UNION
Moscow (UPI)—President Modibo Keita of Mali will visit the Soviet Union May 21 to May 31, the official news agency Tass said Monday.

Answering Service Given by Institute

New York (UPI)—The Alexander Hamilton Institute, which trains executives in business administration, offers an answering service to its subscribers on any business problem they may have.

Some of the unusual questions answered include one on a method to dredge the Mediterranean and another on how to start a minimum security penitentiary.

Hallmark MOTHER'S DAY CARDS FOR SUNDAY, MAY 13
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McCook, Neb. (UPI)—Radio station KWRV was off the air for two hours Monday because of a short circuit that resulted when a mouse was pursued into its transmitter by a snake.

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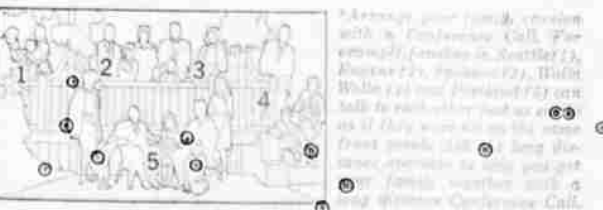
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Family reunions are fun (but you can have them more often by phone)

Grand old American tradition, the family reunion! A happy time, too—especially for the youngsters. But most family reunions take time, and travel, and a lot of planning. In these days of wide distances between families, many people use the telephone to keep the family close, to get everyone together more often. For example, a long distance Conference Call* (see right) is an easy, inexpensive way to have a reunion—and just about the next best thing to being there. Use long distance to have your next family reunion.



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