FRAME FOR CAPITOL – The Capitol of the United States at Washington, D.C., is framed in snow-covered branches as the area received its heaviest snow for this time of year on record. (UPI)

AUTO EXPORTS INCREASE

Paris – (UPI) – French automobile exports increased 15 per cent this year over 1961 to 560,000 cars, according to an announcement here. French auto industry officials said the record year for car exports occurred in 1959, when 604,000 cars were sent abroad.

Family-Type Farm Recommendations Told by Committee

Washington – (UPI) – The National Advisory Committee on Rural Areas Development has approved unanimously a series of recommendations designed to help family-type agriculture.

The recommendations were drawn up by a family farm subcommittee headed by James G. Patton, president of the National Farmers Union. The recommendations would discourage the corporate, factory-in-the-field type of farming operation.

The subcommittee defined a family farm as "a family enterprise, a farm operated by and for a family. Small enough to enable a family to provide most of the labor, management, and control of the capital required. Y t, sufficiently productive and profitable to support a family." The subcommittee said size of a family farm varies according to the type of agriculture pursued. Family farming may be had on a 10-acre truck farm, on a 160-acre dairy farm, a 2,000-acre wheat farm, and a 10,000-acre ranch.

The recommendations included:

—Practical limitation of federal price support, credit, conservation, crop insurance, and other assistance both monetary and technical to larger than family farms.

—Statutory provisions against the use of operating losses in farming by an individual or corporation to offset profits in non-farm business enterprises.

—Authority to provide credit for government purchase of large tracts of good agricultural land that is suitable for sub-division into family farm units.

—Interest rates of government agencies making loans to family farmers and their cooperatives should be adjusted to current levels of farm income.

—Removal of any restrictions that would prevent farm cooperatives from acquiring existing facilities or merging present facilites and servces, or otherwise to bargain collectively in marketing, processing, or purchasing for farmers.

—Establishment of a minimum wage for agriculture workers.

—Discourage feed companies, hatcheries, chain stores, packing, and canning companies from financing farming operations or entering into restrictive contracts with farmers.

The subcommittee also strongly endorsed the farmer committee system used to operate government farm programs, and recommended that only bona fide farmers who are participating in the programs be eligible to hold office.

The subcommittee called on the extension services, colleges of agriculture, and other federal and state agencies to place more emphasis upon farmers' need for new marketing institutions rather than a constant expansion of production.

Your Money's Worth

By SYLVIA PORTER

Copyright, Hall Syndicate, Inc.

WALL STREET FEARS STOCK MARKET REPORT

Throughout 1962, the key people in the nation's securities firms have been filling out lengthy questionnaires sent to them by the government's financial policing agency, the Securities & Exchange Commission, as part of its investigation of the stock markets. The questionnaires have contained queries in just about every sensitive area of the markets—ranging from "insider" dealings, to the activities of public relations organizations prior to sales of new stock, to handling of transactions in the over-the-counter markets.

Now the SEC is working on the report it is scheduled to submit to Congress on April 3, 1963. Now, while in public Wall Streeters say they welcome the probe, in private they admit their fears about the report's findings, proposals and impact.

Why is Wall Street worried? If nothing is basically wrong—particularly on the stock exchanges — and what abuses do exist can be cleared up by greater self-regulation, why should brokers be so apprehensive? A check around Wall Street indicates three primary reasons for the concern—and they go far beyond a natural distaste for new controls.

For instance, one reason that was repeatedly mentioned has nothing to do with the probe at all. Rather, it stems from the tough year 1962 generally has been for financial houses. The year started with the stock market falling sharply and eroding the profits of professionals as well as the public. Then came the historic crash of late May, which was a catastrophe for many Wall Streeters and their firms. Then came the slump in the public's buying and selling of stocks, which sent Wall Street into a depression of its own at a time when expenses for automated equipment, training programs, branch offices, etc., were soaring. "All we need on top of this is a report denouncing how we operate" was a typical comment.

A second reason mentioned frequently was that government criticism is simply not warranted, for the securities business has done a better job of policing itself than any other industry. A typical remark: "Sure there have been cases where rules have been broken or ignored, but as far as the whole industry is concerned, we've done a good job of regulation. We'll listen to suggestions but we are better able than the government to police this business."

The American Stock Exchange—origin of the scandals in 1961 which kicked off the entire investigation—has since gone through a top-to-bottom reorganization. William D. Moran, who after 24½ years on the SEC recently went over to the other side to become a vice president of the ASE, put it this way: "I have scoured the SEC report on the old days. I ask myself are there any possibilities of anything like this happening again? I think we have covered about every practical area to block off objectionable practices."

A third reason for the apprehension is uncertainty about how you, the investing public, might react to a critical report on stock market operations. Again, a typical comment: "It will be another reflection on Wall Street. Coming on top of the stupid thefts of securities and the Wharton School study on mutual funds, it could shake the public's confidence. This wouldn't be warranted." This point about the investor's reaction was made by every man interviewed.

In public, the statements of leading Wall Streeters are conciliatory and restrained. In response to a question, Edwin D. Etherington, the ASE's new president, said: "It is appropriate for the SEC to take a hard and searching look at securities laws which were written nearly 30 years ago . . . This could be a very informative document and we have every reason to hope the public, the industry and everybody will benefit."

Even more cooperative was the statement of Amyas Ames, senior partner of New York's Kidder Peabody & Co., and new president of the Investment Banker Assn.: "We need some pushing and leadership by the government . . . Mistakes have been made . . . It is time to take a careful look to see what can be done to improve the quality of our business performance."

In private, though, Wall Streeters talk differently—as this report indicates. April 3 is not a date they're looking forward to with pleasure or confidence. Quite the contrary.

KNOW THE LAW

A PUBLIC SERVICE OF THE COLLEGE OF LAW WILLAMETTE UNIVERSITY

Editor's note: This column presents general principles of law as determined by a particular court. It is not to be taken as legal advise. Slight changes in facts may change the outcome of a case. If you have a problem, see an attorney.

RAIL TERMINAL SUED

A 72-year-old widow was travelling from Denver to Indianapolis on passes issued to her by two railroads, the Union Pacific and the Wabash. In Kansas City, Mo., it was necessary for her to change trains. She hired a redcap at the station to carry her bag and direct her from the Union Pacific train to the Wabash train which was on the other side of the station. He took her up one escalator to the main level and down another to the track level. The first attempt to reach the Wabash train was by way of a blocked passage. He then had her follow him to another passage. He suddenly said, "Lady, there's your car, right through here." He indicated that she was to go between two baggage trucks. The lighting was poor and the passage was narrow. In attempting to get through, she tripped and fell over the unseen protruding handle of one of the truck and was injured.

She sued the terminal company, which is owned by 12 railroads, and was formed to operate the Kansas City terminal. The terminal company pointed out that she was travelling on passes which provide that the user "assumes all risk" of injury, loss of property, etc. One of the passes even includes a risk of death. Both absolve "any company honoring this pass from all liability."

The woman countered this with the argument that she hired the redcap by a separate contract and paid him, as agent of the terminal company, a valuable consideration of 15 cents to perform such services for her. She claims that because of this, the injury occurred at a time when the terminal company was not honoring either of the two passes issued by the railroad companies, but was acting separately and 'n it's own behalf. She asked for $25,000. The jury awarded her $7,500. The trial court set aside the verdict of the jury and entered judgement in favor of the defendant terminal company. Plaintiff appeals.

THE COURT HELD: The upper court agreed with the trial court and refused damages to the plaintiff. The court pointed out that when a paying passenger is involved it is impossible for the railroad or a terminal company to contract away its liability. Such a contract would be declared void as a matter of public policy. However, when a passenger is travelling on a pass, as in this case, it is possible and is customary for the companies to be absolved c' liability.

The court concluded that the payment of 15 cents to the redcap did not convert her free pass into a contract based on consideration. The court said, "It would no more do so than would her paying for her meals on the train diner or her paying for any special service in connection with her otherwise free transportation." McKaig v. Kansas City Terminal Ry. Co., Missouri, 1962, 355 S.W. 2d 409.

TOO MANY FREELOADERS

Milton Regis, England – (UPI) – Mrs. Alice Norris, who won $56,000 in soccer pools, closed shop at her King's Arms Pub on Wednesday because of a flood of old customers who she said deserted her in recent years. "Ever since the week end," she said, "the place has been full of people hoping everything was on the house. I'm fed up. If they think it's free drinks from now on, they've got another think coming."