

Instalment Buying Nears Record High

By SAM DAWSON
NEW YORK, Oct. 11 (AP)—Buying on time is at a high high. This great American institution plays its part in the automobile industry's continuing prosperity and in the return of the home appliance industry to happy days. It's also reported on the increase in areas where many customers are out on strike and aren't buying for cash.

The peak volume of instalment credit during the summer recovery also doubtless ties in with other phases of the nation's business and financial status just before strikes halted the basic industries of steel and coal.

More Loans
 Bank loans to businessmen are increasing. Manufacturers' sales are up sharply, and department store replenishing of stocks on the up-grade once more. Industrial production has rebounded from its July low. And government agencies stress that retail sales are holding up remarkably well in unit volume, although off in dollar volume because of lower prices.

Buying on the increased briskly this summer after federal curbs on credit were removed. It jumped \$282 million during August to a new high of \$9.6 billion. This was \$1.9 billion higher than a year ago.

The federal reserve board, which used to set strict rules on instalment buying, reports that buying cars on time gave the total its biggest boost. The people with the ready cash, plus "extras" for cars were taken care of by the auto industry some time back. Auto salesmen are now concentrating on those with an income that permits paying so much a month. The board says credits against autos total nearly \$2.9 billion; credits against refrigerators, television sets, furniture and the like \$2.5 billion; and instalment loans by financial institutions rather than retailers stand at nearly \$4.4 billion.

Whipping Boy
 Consumer credit has been the whipping boy during much of the postwar turmoil over inflation and deflation. Curbs on instalment buying were tightened when financial authorities wanted to discourage the public from bidding up the price of scarce articles. Later, when the country moved over from a sellers' to a buyers' market, businessmen complained that tight credit restrictions were keeping them from moving goods on their store floors, and the curbs were relaxed. When the congress feared the country was in for a sharp recession, it allowed public to buy again, even if it didn't have all the cash in pocket. Ag-curbs to lapse, to encourage the

parently, it has worked. Home appliance plants that had closed for lack of orders have reopened and report sales booming.

Punch
 Thomas R. McCabe, chairman of the federal reserve board, points out: "Instalment credit is the volatile and dynamic element in consumer financing. It is subject to wide fluctuations and exerts a pervasive effect on consumer demand and prices." And he adds the moral, as the boards see it: "When economic recession sets in, accumulated credit remains to be paid off in the period of contraction."

That is the real danger in buying on time—what might happen to all business if enough people can't keep up their payments, or are so debt-ridden they can't buy anything else from the stores.

Credit Up
 Instalment credit has risen since the end of the war from \$2 billion to \$9.6 billion. In 1939 it was \$4.4 billion. Although it is now more than double prewar, economists say the present total is not at all dangerously high in a land where the national income and industrial production is as great as in ours.

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BABY MIXUP IS SOLVED—Mrs. Robert Strayer (left) holding Michael, and Mrs. J. P. Shanley, holding Gerald, as they left the Ravenna, O., hospital after a baby mixup of 16 days was finally solved. Tests showed the mothers had the right babies all the time.

Shop Started 'For Fun' Now Mecca for Gourmets

MADISON, Wis. (NEA)—The spirit of Horatio Alger, if it finds its way to Madison, will be happy. It will find two little ladies who bought a food specialty shop "just for fun," and, through hard work, turned it into a mecca for gourmets all over the world.

Miss Margaret Snyder, a former music supervisor in local schools, and Miss Norma Howarth, who used to work in a real estate office, lived together on a century-old farm and dreamed of running their own business some day. When they spotted an advertisement for a food specialty shop in the business opportunities columns of a newspaper, the "some day" had come.

They moved in 10 days later, and immediately set to work on a 5 a.m. to 9 p.m. workday, transforming the shop into a picturesque show place. Tiny shelves set around the tiny shop are framed by gay wallpaper. But it is what the Misses Snyder and Howarth have set on those shelves that excites the food-lovers who visit or write in.

Naval Reserve Rules Lightened

The naval reserve program has been expanded, allowing naval reserve volunteer recruiting officers to perform first enlistments as well as re-enlistments.

The ruling applies to both men and women. John Marsh, local navy recruiting officer, who has been assisting the naval reserve in this regard, announced that requirements have also been changed to

permit first enlistments of personnel having no previous military service.

The navy recruiter said that no physical examinations or complicated tests are necessary. Interested persons between 18 and 40 should call 3431 or write the recruiting station, Klamath Falls.

PORTLAND TO BAKER
BAKER, Oct. 11 (AP)—Thirty-six Portland businessmen are expected here Wednesday on a good will junket.



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Into the highlands or along the highway—wherever you drive—you'll like the ping-free power that's in Chevron Supreme Gasoline. It sails you over hills, gets you off fast at traffic lights, lets you cruise with ease on the open road. You get ping-free power wherever you buy it. It's climate-tailored for every temperature and altitude zone in the West. For today's high-compression engines, you can't buy a better gasoline.



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Now that the summer tourist season is over, space is easier to get on the new streamliner *Shasta Daylight*, which has carried capacity loads daily since its inauguration July 10.

We invite you to try this new luxury dayliner on your next trip to San Francisco and see for yourself why it has created such a sensation. It leaves Portland in the morning, arrives in San Francisco that evening. Through big "Skyview Picture Windows" you'll see the spectacular scenery of the Shasta Route now mantled with autumnal colors.

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FAST DAILY SCHEDULE

Lv PORTLAND.....	7:45 A.M.
Lv SALEM.....	9:00 A.M.
Lv ALBANY.....	9:31 A.M.
Lv EUGENE.....	10:16 A.M.
Lv KLAMATH FALLS.....	2:23 P.M.
Ar SAN FRANCISCO.....	11:15 P.M.

GOING TO LOS ANGELES?—The *Shasta Daylight* connects with the *Ouel* at Martinez, arriving at Los Angeles 10:55 next morning.



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