

New England Faced With Exodus Of Fishing Fleet

PASCAGOULA, Miss. (AP) — A Southern migration of the New England fishing fleet is adding a new economic worry to that section, already concerned over loss of some of its textile industry.

Segments of the fishing fleet, a vital part of the economy of New England coastal cities for many years, are moving to shrimping grounds in the Gulf of Mexico.

During the past four months the Massachusetts fishing centers of New Bedford and Gloucester in particular have seen some of their fish and scallop draggers head for the Gulf.

What is causing this southward

migration?

Three Gloucester fishing captains who left recently to take up shrimping at Gulf Shores, Ala., blamed their troubles on foreign competition, particularly from Canada, and low profits on catches. High insurance rates have been given as another cause.

One of the Gloucester skippers, Tony Frontiero, said:

"I can't see any profit there. I only paid an income tax of \$35 last year. I have paid as much as \$5,000 on one year. It is time to quit."

The Gloucester fishing captains said in Alabama operating expenses would be less and there would be no foreign competition.

New Bedford has seen more than 40 of its vessels, valued at several million dollars, leave for ports in Florida, Alabama and Texas. Unless they return, New Bedford said, several allied industries dependent upon the fishing fleet may be hard hit.

But at New Bedford, there was a feeling that with arrival of warmer weather, these vessels might head back. New England fleets normally do better financially in the summer. In the Gulf, the fall and winter months usually are the best.

Some, like Capt. Jens Larsen of New Bedford, operator of the 88-foot Gannet, found that the larger New England fishing boats couldn't operate as profitably in the Gulf as do the smaller fishing vessels, and have talked of going back to New England.

Gulf Coast shrimpers, apprehensive over the new competition, haven't welcomed the newcomers with open arms. They said supplies of shrimp aren't sufficient to take care of the existing fleet.

Cuts Approved By Committee

WASHINGTON (AP) — The House Ways and Means Committee Wednesday approved tax cuts for millions of retired workers, amounting to about 300 million dollars a year.

The committee adopted a provision by Rep. Mason (R-Ill.) exempting the first \$1,300 of annual retirement income from personal income taxes.

The exemption would apply to all types of income—whether from pensions, dividends, rents, annuities, or other investments. And it would apply regardless of age to all retired workers, even those below 65.

It would take effect with the 1954 tax bill which falls due in early 1955.

The plan was approved as part of a general revision of tax laws. Presumably it would boost the total annual tax reductions under the program from about two billion dollars, as estimated by the Treasury, to about \$2,300,000,000.

Under present law, retirement income gets no special treatment except that generally a worker is not taxed on pension or annuity benefits which he himself purchased through regular contributions.

The committee defeated a motion sponsored by some Republicans to limit the exemption to persons with retirement income of less than \$5,400 a year.

Earlier, Republicans on the committee were reported planning action, probably within two weeks, to cancel about 3 billion dollars in annual tax cuts set for April 1.

Union Protests Over Objectors

SALEM (AP) — A protest against hiring conscientious objectors at the Oregon State Hospital was answered Wednesday with a statement that the CO's took jobs that no one else would take.

The protest was made Tuesday night by the Oregon State Employees Local 44, AFL. The union said 50 CO's are working for state institutions.

The Civil Service Commission said there are 12 attendants working in the tuberculosis ward at the state hospital, and that none others are employed by the state.

Dr. Charles E. Bates, superintendent of the state hospital, said he arranged with the Army to get the 12 CO's because he couldn't find anyone else to work in the new unit.

The tuberculosis hospital was completed in July, and was unoccupied until November because of lack of attendants.

If it hadn't been for the conscientious objectors, he said, the building wouldn't have opened at all.

More Of State Purchasing To Go To Oregon Business; Dorman, Newbry Disagree

SALEM (AP) — Oregon manufacturers and growers are going to get a bigger slice of the 16 million dollars worth of supplies that the State Finance Department buys each year for state departments and institutions.

Harry S. Dorman, state finance director, said Thursday he has begun to apply the 5 per cent differential permitted by the law in favor of products manufactured or grown in Oregon.

Secretary of State Earl T. Newbry, a Republican candidate for governor against Dorman's boss, Gov. Paul L. Patterson, has made

Dorman's purchasing policies a main issue of the campaign. Newbry claims Dorman isn't giving Oregon businessmen a break.

Newbry opposed creating the department in the first place. He said several weeks ago Dorman wouldn't be an issue in the campaign, but now Newbry is blasting him.

Newbry's deputy, Assistant Secretary of State William E. Healy, accused Dorman of ruining hundreds of businesses in Oregon because Dorman wouldn't favor Oregon suppliers.

Dorman, whose department buys 155,000 different kinds of items for the state, said he's now applying the five per cent differential because Oregon's neighboring states now are favoring their own firms.

All state purchases are bought by competitive bids. Applying the differential means that a firm bidding on a product made or grown in Oregon can bid up to five per cent more than an out-of-state firm, and the Oregon firm still would get the business.

Dorman took over the purchasing job Aug. 2, 1951, when the new department was created. Before that the Board of Control did the buying.

The Board of Control and Dorman always have hesitated about using the differential. They feared

that if Oregon discriminated against products of other states, then those other states might discriminate against Oregon producers. It has been used, however, to buy sugar at Nyssa, Ore., for several years.

Applying the differential might not mean too much to Oregon businessmen, Dorman's department doesn't buy many commodities from other states when those commodities are made in Oregon. The Oregon firms generally submit the low bid, anyway.

It will mean that Oregon producers of such items as furniture, soap, feeds and food will get some more business.

The purchasing department has found that use of the differential reduces competition, and thus makes the state pay a higher price. Out-of-state firms are discouraged from bidding when they know that Oregon firms have a

five per cent edge.

"The new policy," Dorman said, "might cost the taxpayers a considerable amount of money, but we have no choice when the other states are doing the same thing."

When Dorman took over the department 2½ years ago, there were many headaches, as might be expected when a purchasing department is started from scratch.

Dorman says most of those headaches are ironed out now, and that Newbry's criticism is based on things that happened when the department was struggling to get the system set up.

He still has some troubles, caused mostly by the inability of some departments to write proper specifications as to what they want to order.

As to Newbry's charge that his

state department is getting inferior products from Dorman's division, Dorman points out that Newbry is buying through Dorman just because he wants to. The law doesn't require Newbry to buy through the state purchasing division, so he could buy direct from suppliers.

Knights Templar To Hold Dinner

Calvary Commandery No. 16, Knights Templar, will be host to Chico Commandery No. 12, Saturday, February 20, at the Masonic Temple, The Chico Commandery will confer the Order of the Temple on a class of candidates.

There will be a complimentary dinner at 6:30 at Jen-Eds for all Sir Knights and wives. The wives will be entertained in the dining room of the Masonic Temple while the meeting is in progress. This will be a special event for Calvary Commandery and a large attendance is expected.

Members are requested to be at the meeting at 8 p.m. if they are unable to attend the dinner.

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47th Annual Ball
MERRILL COMMUNITY HALL
Saturday, Feb. 20
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DANCING 10 TILL 2 — \$1.00 per person
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20 Years of Service

for sound growth of agriculture

20 YEARS AGO this group of men sat down at the first board of directors meeting of the Klamath Production Credit Association. Around the table, clockwise from front left, are Lee S. McMullen, sec.-treas.; E. A. Geary, William Lane, Ned Sherlock, U. E. Reeder, A. R. Campbell, E. M. Hammond, William Kittredge, directors; and O. F. Allgaier, then secretary of the Production Credit Corporation of Spokane. Directors James O'Keeffe and Frank Grohs were not present when the picture was taken.

HONORING OUR 20-YEAR MEMBERS:

W. L. Bell Bonanza	James O'Keeffe Merrill
A. R. Campbell Klamath Falls	John Schneberger Klamath Falls
Charles Cross Dorris	George E. Stevenson Klamath Falls
John E. Craven Bonanza	John T. Taylor Klamath Falls
Martin Green Klamath Falls	Frank Tofell Bonanza
E. A. Geary Klamath Falls	J. L. Trux Maddox
E. M. Hammond Klamath Falls	W. B. Snyder and Anna F. Jones Jones Ranch, Paisley
John Kandra Tulalake	U. E. Reeder Klamath Falls
William Kittredge Klamath Falls	Dan Schu-wacher Silver Lake
F. E. McMurphy Tulalake	Lee Dixon Tulalake

PROGRESS REPORT

Here is what we have done since organization. Number of Members:

1934, 104	1943, 344	1953, 486
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Volume of loans:

1934, \$450,902	1943, \$850,792
1953, \$1,941,442	

Stock owned by members:

1934, \$19,965	1943, \$122,420
1953, \$255,030	

Reserves to protect members' investment:

1934, 0	1943, \$186,100	1953, \$339,966
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The Klamath Production Credit Association repaid the Government capital in full on Jan. 2, 1949, and at that time became entirely member owned.

Annual Meeting - February 20

KLAMATH FALLS ARMORY

Klamath Production Credit Assoc.

Entirely Owned by Farmers and Cattlemen of Klamath, Lake, Modoc and Siskiyou Counties