



**CONTRACT WAS SIGNED** last week by Ron Phair, seated, covering purchase of the inventory of Piggly Wiggly Store, 701 Pine, and lease with option to buy the real property. Seller was Piggly Wiggly Northern Corporation, represented by George Markoff, grocery supervisor, and Ron Carbery, meat supervisor. Shown, from left are Bob Wright, real estate salesman with Bruce Owens Realty, who handled details; Markoff; Warren Mason, who remains as store manager; Bruce Owens, realtor, and Carbery. No purchase price was announced.

# May Could Be Marked 'Best Business Month'

NEW YORK (AP)—Boom forces spurred the economy to new high last week. No matter how you looked at it, you couldn't escape the conclusion that May would go down in the books as the biggest business month on record.

Consumer appetite for cars, clothes, food, houses and corporate stocks showed no sign of letting up. Construction activity scored higher than seasonal gains; business failures touched a new 1959 low; industrial production continued its headlong race to beat a June 30 steel strike deadline.

Machinery tool orders racked up a massive increase over the recession lows of last year—a sign that heavy industry has decided it's time to start spending again.

With business booming all around, the Federal Reserve Board made a new move to tighten the screws on credit. The board flashed an okay to five of the nation's twelve Federal Reserve banks to lift their discount rates—the interest they charge on loans to commercial banks.

Commercial banks had been borrowing at 3 per cent, and loaning the money out to their customers at interest scaled upward from 4 1/2 per cent—the minimum or "prime" rate charged the highest borrowers with the best credit ratings. Now they'll have to pay the reserve banks 3 1/2 per cent—the same as in late 1957 before the recession took over.

One effect of the higher discount rate will be to curb the fast growth of the nation's money supply, already swollen by rising demand for consumer and mortgage credit.

Its avowed purpose is to check the creeping rise in prices and costs that even in these prosperous times has strained family budgets.

Stock sales totaled 14,872,535 shares compared with 15,909,910 the preceding week. The volume was the smallest since the week ended Feb. 14 when 14,792,690 shares were traded. Bond sales in the latest week had a par value of \$26,373,109 against \$26,099,000 the previous week and \$29,771,500 for the corresponding 1958 week.

Costs—particularly wage costs—were uppermost in the minds of steel industry leaders gathered here for the 67th convention of the American Iron & Steel Institute this week. Consensus of steel's big men: The industry must form a united front against the wage



**THE STAFF** of the Lakeview High School yearbook, the Sage Brush Echo, held its yearly luncheon at Van's restaurant recently. Tokens of appreciation were presented to Mrs. James Bleakney, adviser, and R. C. Rowe for assistance in photography. Mr. and Mrs. James Bennett were guests. From the left, front row, are Charlicia Lantz, senior editor; Virginia Brown, Margery Blair, Charles Cossey, David Griffin, sports editor and news editor; Molly Fletcher, manager, Roberta Bleakney and James Bleakney. Second row, Joy Kerr, assistant manager; Virginia Mobley, senior statistics; Frances Stewart, Mary Jo Deely, R. C. Rowe, LaYonne Kratz, editor; and H. B. Ferrin, superintendent of city schools. — Bennett Photographers

# Five Federal Reserve Banks Increase Discount Rates

WASHINGTON (AP)—The Federal Reserve Board Friday used its tight-money club against a renewed threat of inflation.

With the board's approval, five Federal Reserve banks increased their discount rate from 3 to 3 1/2 per cent. This is the interest charge to member banks borrowing from the reserve system.

The five are the New York, Chicago, St. Louis, Minneapolis and Dallas banks. The other seven Federal Reserve banks are expected to push their rate up to the same figure in the next several days.

The action had been expected in view of a general rise of interest rates throughout the private economy. And there have been hints that consumer prices—after 11 months of unprecedented stability—may advance to new highs in the next few months.

In New York, the discount boost came as no surprise to Wall Street, which has been expecting the move since major private banks increased a key interest rate two weeks ago.

A spokesman, in announcing the new discount rate Thursday, said only that it was "an adjustment to economic and financial conditions."

The Federal Reserve rate was a just 1 1/2 per cent only a year ago. A series of increases followed. In March it was raised from 2 1/2 to 3 per cent.

Raising the discount rate is in-

matched the all-time peak reached last July and again in November.

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# Farm Income Holds Steady, Survey Shows

WASHINGTON (AP)—Prices affecting farmers' income are holding fairly steady.

An Agriculture Department price survey showed Friday that prices received by farmers increased four-tenths of one per cent between mid-April and mid-May. But they were four per cent below levels of a year earlier, and 22 per cent below the record high set in 1951.

Prices paid by farmers, including taxes and interest, held unchanged at a record high during this period. They were one per cent higher than a year earlier.

Most farm product prices changed little in May. Potatoes, oranges, melons and cattle went up. There was a seasonal decline in milk prices, and a sharp reduction for eggs, tomatoes and onions.

Farm prices held unchanged in May at 82 per cent of the parity price goal of federal farm programs. They were at 87 per cent of parity a year earlier. Parity is the level considered fair to the farmer in relation to prices he pays for what he buys.

Only five important products were at parity or higher. They were potatoes, limes, oranges, beef cattle and calves. Chickens were the lowest, being at 57 per cent of parity.

Prices paid by farmers for feed and replacement cattle did not change in May, but prices paid for baby chicks went down. Livestock feed prices eased off a little. Prices of food and building materials went up slightly.

# House Judiciary Group Has Bill To Clarify Bills

By B. L. LIVINGSTONE

WASHINGTON (AP)—Congress, as some of its members and others have suspected, may not always know what it's doing.

What amounts to at least a partial confession of congressional fallibility on this score, has come from the House Judiciary Committee.

"It is a bill to make other bills say what they mean, or anyway to let congressmen know what they are reading."

"I'm surprised someone hasn't done something about this before now," observed Chairman Emanuel Celler (D-N.Y.).

Bills are the raw material of the nation's laws.

Sometimes, however, they can be pretty cryptic.

For instance, H.R. 4345 says in its entirety:

"An act to repeal clause (9) of subdivision A of section 39 of the Bankruptcy Act (11 U.S.C. 76a (9)), respecting the transmission of papers by the referee to the clerk of the court.

"It is enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that clause (9) of subdivision A of section 39 of the Bankruptcy Act (11 U.S.C. 76a (9)), as amended, is hereby repealed and clause (10) of such subdivision is renumbered (9)."

This means referees in bankruptcy would not have to transmit "forthwith" to court clerks various bonds and documents in their possession.

What Celler and his committee want to do is to change House rules to require that bills revising existing law also carry the wording of existing law, and by italics or other typographical devices show what the amendments actually would do.

Celler confesses he doesn't know what is in most bills that come to his committee by the thousands each session.

"I have to have somebody dig out the code (U.S. Codification of Laws) to find out what they refer to, and then tell me," he said.

The House years ago adopted what is known as the Ramseyer rule. This requires that existing changes in law be spelled out in committee reports on bills.

But no one until now has thought to apply the rule to bills.

# Children Become Soldiers In Psychological Warfare

MACAO (AP)—Children barely old enough to read—but not too young to shout and sing—are the soldiers in a psychological war between communism and democracy in this tiny Portuguese colony in the shadow of Red China.

A former colonel in the Chinese Nationalist army says democracy, after a slow start, is winning the noisy little war hands down.

Ignatius Wong is principal of the Santa Teresa kindergarten and primary school run by a Roman Catholic mission here.

Across the fence from Santa Teresa is the Communist-run "Green Island Free School," one of several Red schools allowed to operate in Macao.

The Communists started trying to infiltrate Santa Teresa with junior grade agents, printed propaganda literature and a loud-speaker campaign of anti-American and anti-Nationalist propaganda.

The Red aim was two-fold — to undermine the Catholic school authorities and to woo their charges over to the Communist school.

Santa Teresa struck back. It weeded out the infiltrators. Plucking a page from the Communists' book, Wong set up a public address system of his own, booming anti-Communist propaganda back across the fence.

"They call us American dogs," Wong said recently with a cheerful grin. "We call them Soviet dogs. You should hear the din."

Children from each school join in rousing political songs which the loudspeakers blare back and forth across the fence. Each side has accumulated an imposing list of political slogans to bellow at each other.

It's easy to keep score on who is winning.

At the start each school had a few hundred students. The Communists made some initial gain, but once Santa Teresa's loud-speaker system got going the tide turned. Enrollment in the Catholic school gained steadily.

The score today: 1,653 students at Santa Teresa, about 400 at the Communist school.

# Young Thief Meets Death

CEDAR KEY, Fla. (AP)—The little fishing community of Cedar Key is a poor place for a holdup.

Huey Long Cannon, 24, of Dade City, wound up dead on the bottom of a lagoon Saturday night after he:

1. Set up drinks in a local saloon with proceeds of a \$35 holdup elsewhere;
2. Robbed Mrs. Leone Brown of \$100 at gunpoint in her drugstore;
3. Drove his car at 90 m.p.h. in an effort to shake off pursuit by City Marshal Sam Perryman on the only road to the mainland;
4. Hit a power pole and catapulted down a 12-foot embankment into the water.

The Marshal said Cannon had robbed a theater at Chiefland, 30 miles away.

# Belgium King Flying Home

WILMINGTON, Del. (AP)—Belgium's King Baudouin, impressed "by the great heart and friendliness of the American people," flew home today, his three-week tour of the United States behind him.

The slender, bespectacled King, 49, still a bachelor, said he was sorry to go. He wrung the hand of everyone within reach, thanking all for "the great visit."

During the trip he dined with President Eisenhower, addressed Congress and danced with movie actress Debbie Reynolds.

He said in a prepared departure statement: "I shall always remember my visit to your country with warmth and affection."

Informally, sometimes in French but mostly in English, he told his well-wishers he had a wonderful time and wished he could stay even longer. "But I have a job to do in my own country," he said.

His last weekend was marred by death. Saturday night, aboard the aircraft carrier Randolph off the Virginia coast, he saw a Navy plane crash into the sea. Three airmen were killed.

Upset and saddened, Baudouin was taken by helicopter from the Randolph's deck and brought Sunday morning to the colonial capital of Williamsburg, Va.

From Williamsburg, the young King flew to Wilmington. He toured sites of the original Du Pont powder and chemical mills along historic Brandywine Creek.

# REDS DOWN PLANE

TOKYO (AP)—The Chinese Communist army's air force shot down a Nationalist Chinese bomber Friday near Yaoping, Kwangtung province, South China, Peiping radio reported Saturday.

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