

TREASURY PROPOSES \$5 BILLION TAX SLASH

Individuals, Corporations Would Share

Abolishment of 3 Perct. Levy on Incomes Among Vinson's Suggestions

WASHINGTON, Oct. 1.—(AP)—A \$5,000,000,000 tax reduction for individuals and business in 1946 was proposed to congress today by Secretary of the Treasury Vinson.

In the first tax-cutting legislation to hit Capitol Hill in 16 years, Vinson laid before the House Ways and Means committee the administration's plan for easing wartime burdens on personal and corporate pocketbooks. He recommended:

1. Repeal of the three per cent normal tax on individuals, effective January 1, thus erasing 12,000,000 low-income persons from the tax rolls completely and reducing the tax liability for all individuals by \$2,085,000,000.

2. Elimination of the 95 per cent war-imposed excess profits tax on corporations, reducing 1946 corporate burdens by \$2,553,000,000.

3. An end on July 1, 1946, of the high wartime excises on such things as fur coats, jewelry, cosmetics and transportation. The excises under this regulation would return next July to the 1942 level, thus halving the tax on many of the so-called luxury items. Vinson said this would result in an annual reduction of \$547,000,000 in excise tax collections.

4. A temporary freeze of the social security tax at the present one per cent rate against pay envelopes of employees and payrolls of employers, not permitting an automatic rise to 2.5 per cent against each—set for Jan. 1, 1947—so as to give congress an opportunity to review the whole social security program.

Immediately after Vinson pre-

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In the Day's News

By FRANK JENKINS

ON the day this writer arrived in England from the continent, the headlines in London were shouting the news of the ending of lend-lease. It created a sensation that probably wasn't understood in the States.

There was a day or so when Americans were distinctly not as popular as they had been. Then the native common sense of the British reasserted itself and the situation returned to normal.

It wasn't just the big people who were upset by the news. The feeling extended clear down to the man in the street—who was not only upset but a little frightened. It was surprising how completely the implications were understood by all kinds of people in this country that lives by manufacture and export.

This writer was getting his hair cut ("dressed" is the word here) and got from the barber (that is to say, the hair-dresser) a lecture on the economics of international trade that showed a rather astonishing grasp of the principles involved, and overheard similar lectures being delivered by salespeople in the shops to other Americans.

The residents of this workshop island know what makes their clocks tick.

For an edition or two, the usually serene British newspapers lost their composure and some sharp words were printed in editorials. Similar words were spoken in parliament—the speak-

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Roseburg Community Chest Budget of \$22,200 Adopted; Campaign to Start October 9

At a general directors' and committee chairmen's meeting held last week, a complete budget of \$22,200 for the Roseburg Community Chest was presented by George West, budget committee chairman. The board of directors was unanimous in its adoption of the budget committee's recommendations and expressed appreciation for the many hours of work put in.

Tuesday, October 9, was announced as the opening date for the campaign for funds, and Campaign Chairman Ray Ruebel stated that every effort was being made to have everything in readiness so that the budget goal may be reached within a very few days.

"The entire month will be used if necessary," Ruebel stated, "but we sincerely hope the job can be cleaned up in a very few days."

"There is no question of Community Chest donations being deductible expense in computing income tax," Chest President Mat-

Roseburg News-Review

Established 1873

ROSEBURG, OREGON, MONDAY, OCTOBER 1, 1945

The Weather
Partly cloudy tonight and Tuesday.

45-229

Overland Greyhound Busses Tied by Strike

M'ARTHUR SEIZES 21 BANKS IN HUNT FOR WEALTH TAKEN BY JAPANESE IN CONQUESTS

Looted Funds Not Found Because of Their Disposal By Militarists, Nippon Financiers Say; Fortune of Imperial Household Involved in U. S. Take-Over

TOKYO, Oct. 1.—(AP)—American occupation authorities today began a quest for untold millions of dollars in gold, silver and currency which Japan was believed to have wrested from the lands it overran in its try for world domination.

The search paralleled other probes into imperialistic war-financing, made possible through General MacArthur's bold, secret seizure today of 21 government-controlled financial institutions in Tokyo and six other large cities, and the ousting of their officials.

The Bank of Japan, the nation's largest financial institution, one-quarter owned by the Japanese imperial household, was closed by an order of the allied command.

It will open tomorrow, said Col. R. P. Kramer, MacArthur's economic and scientific chief, "if the Japanese provide full cooperation in locating the assets of the seized institutions which had office space in the Bank of Japan building."

Bank officers pleaded last night that they had had insufficient time to produce the requested assets and records. They had received instructions from the finance ministry earlier, however, to have the requested material on hand by last night.

Savings Depositors Assured
American troops on guard around the bank assured depositors, many of them women sobbing in fear that they might lose their life savings, that their funds were safe.

Two other banks closed by MacArthur—the Yokohama Specie bank and the H'notee bank—reopened today with allied permission after a check of their records.

Allied headquarters said no trace was found in the three institutions of "hard money" removed from the Philippines and the Netherlands East Indies during the Japanese occupation.

Some gold and gold stocks earmarked for Siam and Indo-China, and some gold set aside for the Federal Reserve bank of North China were reported found in the Bank of Japan.

Militarists Ruled Banks
The hunt for the missing funds that once belonged to the Philip-

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Public Hearing Set on Rural Fire District Proposal

A public hearing will be held at 10 A. M. Tuesday at the courthouse in Roseburg to receive recommendations concerning proposed changes in the rural fire protection district being organized in territory adjacent to the city of Roseburg.

Factions seeking formation of the district have been filed, designating the boundaries, which, roughly described, include territory within a three mile radius of the city. The county court will hear any objections or suggestions for boundary changes.

Following the hearing, the county court will definitely fix boundaries and will order an election at which a board of directors will be chosen to handle the district's affairs.

Killer of Doe Deer Pays \$50 Fine, Loses His Gun

Killing a doe deer prior to opening of the hunting season cost Samuel D. Hillman, Roseburg, \$50 in the justice court today. Judge Thomas C. Hartfield reported Hillman pleaded guilty to two counts, one of killing a female deer and the other killing deer in closed season, paying fines of \$25 on each charge. His gun was ordered confiscated.

Vacation, Not Strike, Closes Coos Bay Mills

COOS BAY, Ore., Oct. 1.—(AP)—Three Coos Bay Logging mills were closed today, as employees took their regulation second week of paid vacation en masse. The closure was a company-CIO arrangement, not connected with present strikes.

14th Escapade Caught
PORTLAND, Oct. 1.—(AP)—The 14th escapade from Multnomah county jail was back behind bars today.

Albert Ray Schmitt, 22, was recaptured here when police stopped him for questioning about a stolen automobile. Three men involved in last Monday's jail break now remain at large.



HOLDUPS ARRESTED — John Joseph Uckle, 26, (front) and Stanley Matysock, 23, who are held in Los Angeles, Calif., in connection with the holdup of two Hollywood State bank messengers who were carrying \$111,300 to Lockheed Aircraft plant July 30. Both armed with .45 caliber weapons, they were taken into custody by FBI agents soon after their return to Los Angeles.

Two hunters near Magoon lake in Eastern Oregon heard a shot yesterday, and found their companion, Clint Looney, 55-year-old Estacada lumber contractor, with a rifle bullet through his heart. A coroner's inquest was scheduled today at John Day.

Harry James White, 65, Salem, was fatally wounded yesterday by another hunter who mistook him for a deer in the deep brush. State police said John J. Schmitz, on whose Willamette valley ranch the accident occurred, fired the shot.

The first hunting fatality occurred Friday night, when a La Grande woman was shot as she sat with her husband and friends around a camp fire in preparation for the hunting season.

Still a fourth hunter was in serious condition today. Everett Fry, 50, was hospitalized at Canyon City with a broken back, suffered when his horse reared and fell upon him. He was hunting in Eastern Oregon.

Short Form Tax Law Faces Test

SALEM, Ore., Oct. 1.—(AP)—F. H. Young, Portland, secretary-manager of Oregon Business and Tax Research, Inc., said today he would file suit in Marion county circuit court this week to invalidate the 1945 law providing for short forms for state income tax returns.

Young said the suit would be filed against the State Tax commission, on grounds that the bill signed by the governor is not the same as that passed by the legislature.

The Tax commission, using the same grounds, originally brought suit in the State Supreme court to invalidate the law. The commission, however, withdrew this suit, believing it would be better for an individual to bring the action.

Young contends an error was made in a legislative committee. The State Supreme court threw out another 1945 law on the same grounds. This was the law providing for local budgets.

Committee Turns Down McKeough's Nomination

WASHINGTON, Oct. 1.—(AP)—President Truman's nomination of Raymond S. McKeough, former Democratic House member from Illinois, to the U. S. Maritime commission, was disappointed today by the Senate Commerce committee on a 10 to 7 vote.

If the Senate follows the majority report, it will be the first such action on a nomination by Mr. Truman since he succeeded to the presidency.

Chairman Bailey said the adverse report was "not due to his (McKeough's) connections" with the CIO-Political Action committee, but asserted that it was "due to the intense rivalry among factions of the Seaman's union."

Senate Group Votes Quick Start of Highway Agenda
WASHINGTON, Oct. 1.—(AP)—Authority to begin a \$7,673,250,000 federal postwar roads program won unanimous approval today from the Senate Postoffice and Post Roads committee.

Chairman McKeellar said he would seek Senate consent for speedy consideration of the legislation already passed by the House.

H. S. Fairbanks, deputy public roads commissioner, told senators that stated already have plans completed for \$600,000,000 in highway projects. He said he believed men and materials would be available for a start during the present fiscal year.

New Walkout Halts Power To 16 Towns

Other Strikes Continue, Some End, Including N. Y. City's Building Tie-Up

(By the Associated Press)
A strike of AFL electrical workers shut off hydroelectric power to 16 large Texas towns and about 25,000 rural customers today.

The dispute involved a comparatively small number of employees. Approximately 140, as the national total of persons away from jobs because of labor controversies fell to about 352,000, lowest in more than a week.

But there were threats of new stoppages within the near future.

The power strike was at the four generating units of the lower Colorado River authority in central Texas. Harry Bernhard, union business agent, said the dispute had been in progress for five years and the strike was called because the authority "refused to recognize the right of employees to organize and bargain collectively."

Max Starcke, authority general manager, said the strike was called without notice and there would be no return until the power was restored.

Globoater China Bound, Slightly Behind Time

CALCUTTA, India, Oct. 1.—(AP)—The world-circling Globoater arrived here at 1:38 P. M. Greenwich mean time 5:38 A. M. PST today and then took off for the hop to China.

The Globoater had made a 1,485-mile daylight flight to Calcutta. The flight—first earth-grirdling air service—was only slightly behind schedule, with the delay attributable to extra-long stopovers rather than loss of time in the air.

Transport Command officers among the seven men and one woman making the entire world-circling flight—the Globoater is handling other passengers between intermediate points—are confident the party will be in Washington by Thursday.

Pacific Affairs Need Red Participation, Paper Says

MOSCOW, Oct. 1.—(AP)—Pravda, organ of the communist party, said editorially today that the times "have gone forever" when affairs in the Pacific could be settled without the participation of Soviet Russia.

The end of the war opens wide perspective for cultural development in the Orient Pravda said, adding:

"Under the influence of the Lenin and Stalin national policy, these people were reborn to life, people who were sentenced to extinction with the conditions of capitalistic colonial policy by a bourgeois science."

In another editorial the newspaper said "If there had not been a socialist regime in the U. S. S. R., world civilization would have been destroyed by the fascist invaders."

Republicans, Democrats Not In Accord on F. R.'s Role in Son Elliott's Loan of \$200,000

WASHINGTON, Oct. 1.—(AP)—Sharply conflicting versions of the role played by the late President Roosevelt in financial transactions of his son, Elliott, were released today in congress.

House Ways and Means committee Republicans declared—but Elliott denied—that:

1. Young Roosevelt's father "played an important part" in the \$200,000 loan his son obtained in 1939 from John A. Hartford, grocery chain executive.

2. The late president "initiated" settlement of the loan by former Commerce Secretary Jesse Jones in 1942 for \$4,000.

Elliott testified that his father knew of and approved these transactions, but did not promote them. He said Hartford consulted the late president for only one reason: To be sure there were no "possible political implications" which might embarrass Mr. Roosevelt.

The Republicans argued that the late president helped arrange the loan and instigated the settlement. They interpreted statements of their opinion, Hartford was quoted as saying he made the loan after talking by phone with the president because he thought went to "incur the enmity" of

Atomic Bomb Secret Should Be Kept, House Group Urges After 'Round-World Jaunt

WASHINGTON, Oct. 1.—(AP)—President Truman will send a message to congress early this week on what he thinks should be done with the atomic bomb secret.

The White House made this announcement today shortly after a House Appropriations subcommittee, which recently toured U. S. military installations around the world, left a nine-point recommendation with the president.

Among these recommendations was one that the secrets of atomic energy should be kept to ourselves pending study of the development by a commission representing the scientists who directed the project, the joint chiefs of staff, State department and congress.

Another point made by the subcommittee, not directly connected with the atomic bomb, was that the War department is sustaining a loss of prestige among the troops in certain areas abroad because of the apparent lag in the discharge program.

A memorandum left with the president said, "It is essential that the demobilization program be expedited. G. I. Joe has not only been a good soldier but a good ambassador for the United States. He deserves definite, straightforward statements from the War department on what to expect and when."

"If plans are changed or announcements modified, he should be told 'why.'"

The House group also concluded their 39-day study abroad that:

1. Possession of enemy islands in the Pacific should be retained by the United States and "we

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Cleaning Fluid Blaze Fatal to Two Children

BUTTE FALLS, Ore., Oct. 1.—(AP)—Mr. and Mrs. Elmer Wells were mourning their two baby sons today—killed in a fire in an advertisement caused by the Wells' older children.

An older child poured cleaning fluid on a living room stove Saturday. Four of the Wells' children ran to safety as the flames mushroomed. Mrs. Wells, across the street at a neighbor's home, fought vainly to cross the flames mushroomed. Mrs. Wells here infants were lying.

Robbers Steal Salem Taxicab, Driver's Money

SALEM, Ore., Oct. 1.—(AP)—Two men stole a taxicab and robbed the driver of \$18 in Statton last night.

George Richards, driver for the Salem Taxi company, told state police the pair got into the cab in Statton about 11 P. M., and asked to be driven to Salem. After they were outside Statton, they took the cab and money.

The cab was found abandoned this morning near Turner.

Eugene Methodists Buy New Student Center

EUGENE, Ore., Oct. 1.—(AP)—The First Methodist church today announced purchase of a new \$13,500 student center for religious activities and to house a few University of Oregon students.

Father of Family of 7 Drowns in Willamette

OREGON CITY, Ore., Oct. 1.—(AP)—H. K. Knuth, 59, Canby, Wash., whose body was found in the Willamette river near here Saturday, died from drowning, coroners' officials said today.

Officials said Knuth had four broken ribs, possibly caused by falling from the McLough bridge at Gladstone.

A wife in Astoria and six children survive.

Deer Miss Friend
DODGE PARK, Oct. 1.—(AP)—Herds of deer accustomed to ready handouts from Gus Ludvigson now stand around his isolated cabin near Bear Creek dam awaiting return of their friend now in a Portland hospital.

As many as 15 deer have stood around his cabin to eat out of his hand at feeding times.

Wage Cut On Mileage Trim Cause of Halt

Drivers Protest Discard Of NLRB-Hike Pending Parley on New Contract

PORTLAND, Ore., Oct. 1.—(AP)—Bus travelers were forced to cancel planned journeys in a large section of the Northwest today, as drivers of two stage companies walked out in a wage dispute.

The 192 drivers of Overland Greyhound's northwest division (Union Pacific) and the 45 drivers of Pacific Trailways (Mount Hood stages) refused to work under reduced mileage rates.

The companies restored pre-war pay rates today, pending negotiations for new contracts. The change was made after cancellation of the 35-mile-an-hour speed limit, under which drivers were compensated for extra time required for their runs.

The strike halted all stage service from here to Salt Lake City, Bend, and Intermed. late runs. Routes to Spokane and other northwest cities were also affected, but travelers could obtain transportation on other bus systems serving the same area.

Lower Pay Spurred
Harold Oathes, AFL business agent, said the old wage rates would mean a reduction of as much as \$2 a day for some drivers. Even though future contracts are made retroactive, he

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Injunction Ousts AFL Pickets From CIO Operations

SEATTLE, Oct. 1.—(AP)—Immediate withdrawal of pickets from 19 CIO operations in the Aberdeen district was ordered today by Kenneth Nazar, president of AFL-Lumber and Sawmill Workers union local 3099 after he was served with an injunction.

The temporary injunction preventing interference with the operations was obtained by Ernest Smith, president of the CIO-International Woodworkers of America local at Aberdeen.

The CIO sought the court order after a conference between CIO and AFL leaders broke down. Nazar confirmed reports that striking AFL workers from Aberdeen were picketing the Long Bell and Weyerhaeuser operations in Longview.

The Aberdeen action highlighted increased inter-union strife which followed the walk-out for higher wages a week ago of AFL workers in Pacific northwest mills. The AFL claims 490 operations were picketed. The states are closed by the strike of an estimated 61,000 workers.

AFL pickets forced closure of the large St. Paul Lumber company plant in Tacoma last week and an injunction may be sought by CIO leaders in that city.

In Seattle E. C. Jorgensen, business representative of the Seattle local, LSWU, said that effective tomorrow AFL pickets would systematically picket a new CIO plant each day.

Says Portland Thugs Stole \$1,670 and Watch

PORTLAND, Oct. 1.—(AP)—Sam S. Sampagna, 34, told police today two armed thugs robbed him of \$1,670 and a wrist watch last night.

The pair held him up after he had parked his car downtown and started up the street, Sampagna said.

Portland Buys Outfit for Testing Motor Drivers

PORTLAND, Oct. 1.—(AP)—This city has purchased complete equipment to measure motorists' attitude and diagnose their difficulties, Commissioner William A. Bowes said today.

The devices, which measure depth perception, visual acuity, muscular co-ordination, brake reaction time, and color vision, will be lent to truck and bus lines.

Levity Fact Rant
By L. F. Reinstein

With starvation staring her in the face this winter, Germany has only one thing to look forward to: The wurst.