

## MORE LOWER COST GOODS, HIGHER PAID WORKERS AIMS IN MESSAGE SENT CONGRESS

### Accompanying Budget Suggestions Cite Chance to Reduce Public Debt But Doesn't Favor Further Tax

WASHINGTON, Jan. 21.—(AP)—President Truman today to get behind a sweeping program to promote greater output of lower cost goods by higher paid workers.

And he cautioned that "voices of disunity" which begin to cry aloud again... must not prevail.

In a 25,000-word document combining for the first time both lawmaking and budget recommendations, the Chief Executive mixed expressions of optimism over business and job potentialities with fresh warnings against inflation and concern over "major strikes."

In his budget, Mr. Truman pegged government expenditures during the fiscal year beginning next July 1 at \$35,860,000,000—only \$4,347,000,000 above anticipated income.

And, by drawing on the treasury's cash balance, he said the national debt actually can be reduced for the first time in 17 years—from an expected \$275,000,000,000 next July to \$271,000,000,000 a year later.

He added, however, that he can recommend no further tax cuts at this time.

In the "state of the union" portion of his message, Mr. Truman termed establishment of a "fair wage structure" the "most serious difficulty" in the path of reconversion and expansion, adding:

"The ability of labor and management to work together, and the wage and price policies which they develop, are social and economic issues of first importance."

He said labor and management must establish "better human relationships," and — apparently mindful of his recent fruitless efforts to avert the nationwide steel strike—declared:

**Government Can Only Aid**  
"No government policy can make men understand each other, agree, and get along unless they conduct themselves in a way to foster mutual respect and good will.

"The government can, however, help to develop machinery which, with the backing of public opinion, will assist labor and management to resolve their disagreements in a peaceful manner and reduce the number and duration of strikes."

Latest jitter now comes from London, where the United Nations organization (UNO) is taking its first faltering steps toward WORLD government.

The Iranian delegation takes what the dispatches describe as the "first concrete steps to bring the EXPLOSIVE Iranian-Russian issue before the world security council."

John M. Hightower, of the AP (a competent reporter), cables from London that "numerous UNO officials, including those of the United States and Great Britain, privately expressed concern over the Iranian question and said that the untried and only partially completed machinery of the peace organization might be badly strained in trying to cope with such a dispute at the very outset of its existence."

(The meat of the Iranian issue, so far as we are able to judge from the little that has been told to us, lies in the fact that big Russia is apparently seeking to take a bite out of little Iran's territory.)

THIS is the point: If the council's decision goes against Russia, Russia might be so angered as to upset the unity of the UNO.

**Tommy Manville, Eighth Wife Headed for Divorce**  
NEW YORK, Jan. 21.—(AP)—After a marriage of five weeks, Thomas F. "Tommy" Manville, 51, and his eighth wife, the former Georgetta Campbell, 27, will seek a Nevada divorce. Irwin Mines, attorney for Manville, said Saturday.

The attorney said Mrs. Manville has left the couple's home in nearby New Rochelle for an unannounced destination. He added it was not known who would seek the divorce.

**Collision of Autos Kills Labor Camp Resident**  
McMINNVILLE, Jan. 21.—(AP)—Ora Spive, 45, a Dayton farm labor camp resident, was killed yesterday in a two-car collision north of Amity.

The driver of the second car was unhurt.

**Forest Drain to be Halted**  
WASHINGTON, Jan. 21.—(AP)—Faced with a drain on the nation's resources under its care almost equal to the war period, the Forest Service announced today a long-range plan to build back its timberlands and ranges.

Meantime, President Truman asked Congress to provide \$8,000,000 a year for purchase of private forest lands and to allow an overall increase of \$10,000,000 in the Forest Service budget.

His request for \$38,251,500 for this purpose during the 1947 fiscal year was sent to Congress today. The 1946 total was \$28,865,500.

Chief Forester Lyle F. Watts, in a statement today accompanying his annual report, says an "adequate forestry program" would create an additional 2,500,000 jobs. Normally, the forests, directly or indirectly, he said, provide about 3,750,000 jobs.

He estimated that lumber needed for domestic consumption in the next 10 years will average 33,000,000 board feet annually or

about equal to the wartime demand. Wartime timber cutting, together with losses by fire, insects and disease, he said, were about 50 per cent greater than annual timber growth, and warned:

"Forest depletion today is so serious that positive action to

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ROSEBURG, OREGON, MONDAY, JANUARY 21, 1946

The Weather  
Partly cloudy tonight and Tuesday.

17-46

# Strike Paralyzes Steel Industry; Seizure of Packing Plants Probable

## Action to be Muled Today At Conference

### Public Hearing Stated by Fact-Finders; Harvester Firm to Face Walkout

(By the Associated Press)  
A government official, who declined use of his name, said today he saw little hope of avoiding seizure of the major meat packing plants, closed by a six-day strike of 263,000 CIO and AFL members.

He said the question of a seizure would be discussed at a conference of top administration officials today, and he added he considered it possible the government may take over the packing plants within the next day or two.

President Truman is known to oppose seizures in labor disputes except as a last resort, this source said, and his is the final word.

As housewives mournfully watched the diminishing meat supplies in their butcher shops, a government fact-finding board prepared to do what it could to hasten the packing plants back into production.

**Wage Demand Reduced**  
The fact-finders open public hearings in Chicago tomorrow in the dispute. At issue are the CIO packers' demand for a 17 1/2 percent hourly raise, reduced from 25 cents, and the AFL Meat Cutters and Butcher Workmen's union's demands for 20 cents an hour more and a \$30 minimum weekly wage.

The major packers have offered that groups 10 cents hourly increases.

**Harvester Strike Stated**  
Thirty thousand International Harvester Co. employees were set to climax their demands for 30 per cent more pay with a strike, starting at 11:30 today, in 12 plants in four states—New York, Iowa, Indiana and Illinois. In this dispute, also, a fact-finding committee planned an investigation, starting tomorrow in Chicago.

As industry faced the prospect of doing without steel, another important material—glass—was back in production again in 12 plants of the Pittsburgh Plate Glass Co. and the Libbey-Owens-Ford Glass Co.

Settlement of the dispute was reached Saturday with the workers accepting a 10.7 cents hourly raise, plus an additional seven

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## Kimmel Cites Mistake Of Japs at Pearl Harbor

WASHINGTON, Jan. 21.—(AP)—Rear Admiral Husband E. Kimmel testified today the Japanese made their "greatest mistake" by attacking the American fleet at Pearl Harbor and failing to put the base itself out of commission.

In his sixth day before a Senate-House inquiry committee, the former Pacific fleet commander, said it was probable no attack would have been attempted if the American ships had been sent back to the West Coast.

Kimmel said the slow battleships hit at Pearl Harbor were not of much use early in the campaign because they couldn't accompany the fast striking forces of carriers, cruisers and destroyers, and that the most useful units escaped damage.

## A-Bomb Security Control Voted; Secret Retained

LONDON, Jan. 21.—(AP)—Creation of a special commission to devise controls for atomic energy was approved by the Political Security Committee of the United Nations Assembly today, after only a 30-minute discussion.

The action was taken after Senator Tom Connally of the American delegation said the commission will not have power to make any country give up any atomic secrets or take any other action. The commission will be able only to make recommendations, he explained.

## Stocks Tumble Badly In Strikes' Reaction

NEW YORK, Jan. 21.—(AP)—The stock market today suffered its worst tumble in more than a month as bearishness over the steel strike and other labor controversies caused selling of metals, motors and other leaders. Bonds generally backed water.

## Japan's War Plants Seized To Pay Debts

### Reparations Get Priority Over Peacetime Economy Under MacArthur Order

TOKYO, Jan. 21.—(AP)—All war plants which equipped Japan's losing bid for conquest were seized and placed under guard today by Gen. MacArthur, who indicated many of the factories would go to Allied nations as reparations.

The Allied command took over 384 Japanese aircraft plants, army and navy arsenals and war laboratories. Among these were 265 aircraft and parts plants listed by the Allied Reparations Commission as "first priority materials" for removal to other nations.

MacArthur ordered cancellation of any previous permits to the designated installations for conversion to peacetime production, unless the installations were "immediately and absolutely essential to the civil economy."

Commanders given custody of the installations were told to consider the "probability that these plants will be taken as reparations and consequently should not be allowed to acquire importance in the Japanese economy."

**Says Japan Able to Pay**  
The directive disclosed that in some instances the Japanese had removed machinery from plants and that equipment valued at

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## Courts-Martial System Due for Senate Probe

WASHINGTON, Jan. 21.—(AP)—The Senate Judiciary Committee voted unanimously today for an investigation of Army and Navy courts-martial system and the administration of wartime martial law in Hawaii.

Chairman McCarran, who introduced the resolution, said many complaints have been received concerning asserted injustices under the present court-martial systems. Complaints also have been made, he said, that citizens were deprived of constitutional rights in Hawaii because of wartime martial law.

## Fire Destroys Juneau Theater and Apartments

JUNEAU, Alaska, Jan. 21.—(AP)—The Coliseum Theater and 26 apartments above it were swept by fire yesterday.

The blaze confined to the Coliseum Building, broke out either under the operators' booth, and virtually destroyed the theater and seriously damaged the living units above.

Tenants including small babies all were taken out safely by the Juneau Fire Department and soldiers. W. D. Cross, building owner, said the loss would run into "thousands."

## Grand Beauty Shop Sold To Mrs. Roy J. Foy

Mrs. Roy J. Foy has announced the purchase of the Grand Beauty Shop, located in the Lumberman's Building, and is taking immediate possession of the business. Mrs. Foy and her husband, the latter of whom is connected with the Umpqua Plywood Company, which soon is to begin operations, recently arrived in Roseburg from Port Angeles, Wash. Mrs. Foy is the youngest daughter of Mr. and Mrs. Glen Wellman of Roseburg.

## Retention of Federal Control of USES Voted

WASHINGTON, Jan. 21.—(AP)—The House Labor Committee approved legislation today in line with President Truman's recommendation that the United States Employment Service remain under federal control until July 1, 1947.

The vote to send the measure to the House floor was 13 to 3.

Mr. Truman, in December, vetoed legislation calling for cutbacks of over \$50,000,000,000 in appropriations and spending authorizations, because Congress had tacked on a rider calling for the USES' transfer, sought by many state administrations, within 100 days.

## Hirohito Permitted to Give Away 3 Palaces

TOKYO, Jan. 21.—(AP)—Emperor Hirohito was granted permission by General MacArthur Saturday to give away three palaces, worth nearly \$1,000,000. Hakone palace, valued at more than \$267,000, was bestowed on the Kanagawa Prefecture. Hama palace, worth about \$390,000, was given to the City of Tokyo and Mito palace, worth about \$330,000, went to the City of Kobe.

## No National Debt Boost First Time in 17 Years Assurance in Budget Outlay For Congress

### The New Budget at a Glance (By the Associated Press.)

Outgo	\$ 35,860,000,000
Income	31,513,000,000
Deficit	4,347,000,000
Present debt	278,000,000,000
Debt June 30, 1947	271,000,000,000
Reduction (by drawing on Treasury balance)	7,000,000,000

WASHINGTON, Jan. 21.—(AP)—President Truman presented a \$35,860,000,000 federal budget to Congress today with his assurance that for the first time in 17 years no increase in the national debt will take place.

Military expenditures and the aftermath of war account for almost three-fourths of the budget total.

The President estimated that the government will raise \$31,513,000,000 toward meeting the bill for the fiscal year beginning July 1, thus leaving a deficit of \$4,347,000,000.

The deficit, however, will be taken care of, he said, "by a reduction in the very substantial balance which will be in the treasury during the next fiscal year." In fact the debt itself will be paid from its present \$278,000,000,000 to \$271,000,000,000 in 18 months hence.

**Tax Reduction Opposed**  
Mr. Truman, however, called for taxes to be held at present levels.

"Inflationary pressures still appear dangerously powerful," he told Congress in his annual budget message, "and I advised tax reduction would operate to strengthen them still further.

"This is not the time for tax reduction."

Comparing the new 1947 budget with the current one, the chief executive said that with war spending cutbacks the total for the 1946 fiscal year now is estimated at \$67,200,000,000. Receipts are placed at \$38,600,000,000.

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## Arrest No. 13 Bad Luck; Fine of \$100 Imposed

James J. Geiger, Idlewild Park logger, was fined \$100 by Justice of the Peace Thomas C. Hartzell Saturday for intoxication in a public place. Severity of his fine was due to a record of 12 previous arrests by city and state police since 1943, in which he had paid fines totalling \$215 for drunkenness and disorderly conduct.

Geiger's companion, Edd J. DeLapp, also of Idlewild Park, was fined \$25 on the same charge. Justice Hartzell also levied fines totalling \$80 on five motorists: Frank E. Nichols, no P. U. C. permit, \$10; Russell C. Autry, unit overload, \$10; Reuben V. Horn, no vehicle license, \$10; Charles O. Leach, city and state police since 1943, in which he had paid fines totalling \$215 for drunkenness and disorderly conduct.

**Incendiary Fires at Vanport City Continue**  
PORTLAND, Ore., Jan. 21.—(AP)—Vanport City's incendiary fires are still continuing—although a boy who police said confessed to setting several of the blazes is in jail.

Deputy sheriffs reported a \$3,000 incendiary in two housing project apartments Saturday night. Vincent W. Hunt, 17, Vanport City, was in jail at the time.

A small boy of about 11 was seen running from the site of Saturday's blaze shortly before the flames were discovered.

## Boat House Fire Routs Family of 5 Persons

PORTLAND, Jan. 21.—(AP)—Three small boys and their parents escaped today from a fire which destroyed their living quarters on the second floor of a boat house.

The father, W. Nash, was burned on the hands attempting to check the flames. The fire was caused by an electric heater, fire investigators said.

## Iron Premier Quits Over Dispute With Russians

TEHERAN, Jan. 21.—(AP)—Premier Haskima resigned last night after asserting his efforts to negotiate with the Russians over Azerbaijan had failed.

Haskima said efforts to negotiate with the Russians were unavailing and that he proposed to present the case to the United Nations Organization.

## 750,000 CIO Workers Quit In 30 States

### Tieup Greatest in Labor History of U. S.; Nation's Idle Upped to 1,600,000

(By the Associated Press.)  
America's vast steel industry virtually was shut down by a strike of 750,000 CIO steelworkers today, and the country's total of idle in labor disputes shot to a new postwar high—1,600,000.

The country's reconversion program was brought to a crisis by the greatest strike in the history of American labor.

A large segment of industry, and millions of potential consumers of everything from automobiles to razor blades, were bound to be affected.

The Civilian Production Administration predicted steel starvation will be "closing one factory after another" within two or three weeks.

The strike machinery was set in motion quietly. Furnaces had been cooled in preparation for possibly a long shutdown. Production had ceased in most mills hours in advance of the 12:01 A. M. deadline.

**Picketing Orderly**  
First reports said picketing was orderly. In the sprawling Chicago-Gary, Ind., scene of violence during the 1937 "little steel" strike, a union spokesman said the picketing would be light "unless the companies attempt to get back into production."

About 1,300 plants in 30 states closed. Pennsylvania's 300,000 steelworkers form the greatest

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## Truman Message Draws GOP Raps

WASHINGTON, Jan. 21.—(AP)—Republican members of Congress generally criticized President Truman's message today and reaction of Democrats was mixed as members studied the record 25,000-word document.

A quick check of numerous legislators failed to disclose a single member who said he was in favor of all 25 points in the President's domestic legislative program.

Many already had made up their minds one way or another about 21 previous recommendations, which the President repeated, including such subjects as universal military training and establishment of a fair employment practices commission.

Southern Democrats continued their Senate filibuster against the FEPC.

Senator Brewster (R., Me.) told a reporter today the message "implied a complete breakdown of party responsibility between the White House and the Congress" since he said many of the measures the President suggested are being held up in Congress by action of the Democrats.

"The American people may well wonder suggesting to the Democratic party that it 'put up or shut up,'" he said. "The paralysis of the administration is reflected in the economic picture of the country."

## Engineer, Fireman Die In Union Pacific Wreck

PENDELTON, Ore., Jan. 21.—(AP)—Union Pacific officials were investigating today the cause of a passenger train derailment which killed the engineer and fireman and injured another employee Saturday night.

The westbound Pacific Limited's engine plunged over a ten-foot embankment about 30 miles east of here. Five mail, baggage and express cars and one coach were derailed, but remained upright.

No passengers were injured. The dead are Clarence R. Rider, engineer, and Guy Baum, fireman, both of La Grande. William Pidoock, Baker, an engineer making a road trip, was injured.

## Levity Fact Rant

By L. F. Reizenstein

If Uncle Sam takes over the meat packing plants, the action might be appropriately labeled as "seizing the bull by the horns."



**WORKERS WALK OUT AHEAD OF SCHEDULE**—Members of the United Steel Workers (C. I. O.) march before the main gate of Jones and Laughlin Steel Corporation plant at Pittsburgh, Pa., picketing 48 hours ahead of the scheduled national walkout.