

Higher Taxes, Boost In Costs Of Living Offset Dollar Value Of Greatly Increased Wages

By JAMES MARLOW

WASHINGTON—(AP)—When you talk of income, it always comes down to a question like this: What's a dollar worth? How much will it buy? So, even though I'm making more than last year, am I really better off?

A few days ago the government—through the Federal Reserve board—issued a report on income.

It said that in 1939 personal income—since it was personal income it did not include the profits of corporations—was \$73 billion.

But in September, 1949, personal income was \$211 billion, or almost three times greater than in 1939.

Did that mean that Americans—on the average—in 1949 were making three times what they made in 1939? No.

The \$211 billion personal income for 1949 was a total figure. No average was involved. To begin with, things in 1949 were different from 1939.

In 1939, with 45 1/2 million employed, there were about 9 1/2 million unemployed. In 1949 about 60 million people were employed, with unemployment running around 1 1/2 million.

So the increase in the number of people employed alone would be bound to increase the total figure on personal income, plus the fact, and it's a very important one, that wages and salaries have climbed.

No Better Off
But, since personal income was \$211 billion in 1949 and only \$73 billion in 1939, were Americans generally three times better off now than in 1939? No.

For one thing, higher taxes have taken a big bite out of the higher incomes of Americans. In addition, the increase in living

costs has chewed up the value of the income.

Living costs in 1949 were 67 percent higher than in 1939.

Higher taxes and increased living costs cut into the income of everybody who has an income. The most convenient example is that of the factory worker, since the government has a lot of figures on him and not such detailed ones on other people.

Take the average pay of a worker in the manufacturing industry. In 1939 it was \$23.86. In 1949, it was \$55.72, or \$31.86 more.

Was he thus \$31.86 better off, with that much more money to spend than he had in 1939? No. The higher 1949 taxes and living costs reduced the total and the value of his 1949 income.

For example: take that same average pay of the worker in the manufacturing industry. In 1939 his pay was \$23.86. After deducting taxes—this was for a man with no dependents—he had \$23.58.

In 1949 his pay was \$55.72. After deducting the higher 1949 taxes and allowing for the higher living costs, his pay was worth \$28.57 in terms of 1939 dollars and buying power.

To put it another way: In 1949 he had \$4.99 more a week than he had in 1939.

All this—the information comes from the government's Bureau of Labor Statistics—has dealt with the "average" weekly pay of a worker in the manufacturing industry.

Since it's an "average" figure, it means some workers made more a week, some less, than the average of \$5.72.

For example, and this information comes from the statistics bureau, too:

The highest paid workers in the manufacturing industry are the mechanical workers on newspapers, such as printers and so on.

In September, 1949, they were averaging \$80.33 a week. In 1939 they averaged \$37.58.

Now take the lowest paid workers in the manufacturing industry. They're the workshirt-makers.

In September, 1949, they averaged \$27.35 a week. In 1939 they averaged \$11.03.

SECTION TWO

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ROSEBURG, OREGON—FRIDAY, DEC. 2, 1949

★ 183-49



CAMPING NEAR THE ARCTIC CIRCLE—Pictured above is the base camp near the Arctic Circle from which James H. Bond worked in making his picture, "Yukon Wilderness Wonderland" to be shown Monday and Tuesday at the Roseburg Junior high school auditorium. The show is sponsored by the Roseburg Rod and Gun club.

Chinese Reds May Exact Big Sum To Free Consul Staff

WASHINGTON, Dec. 1 (AP)—The United States may have to pay a fairly stiff sum to Chinese Consul employees before Consul General Angus Ward and his American staff can leave Communist-run Mukden.

Secretary of State Acheson announced yesterday that Ward is planning to work out a financial settlement on Saturday.

Officials hope he will not run into long delays resulting from claims which in other cities raised suspicions of a shakedown of departing Americans.

Laws of the Chinese Communist "people's government" provide for dismissal fees, severance pay and other payments. A Communist announcement at Peiping, at the time Ward and four of his aides were convicted of beating a consulate employee said one provision reads:

"When an employer discharges his employee he must pay him a dismissal fee ranging from a half month to three months of the wages of the employee."

The Mukden consulate has possibly 20 Chinese clerks and other workers. Household servant and others with claims may number 50 or more.

At Shanahai, the American consulate was under siege for several days earlier this year by Chinese former employees of the U. S. Navy who were demanding back pay.

Brig. Gen. Robert Soule, Amer-

ican military attache at Nanking, has been delayed for weeks in leaving China because of claims against a club of which he was formerly a director.

Another source of possible trouble has appeared in Central China. There the communists have demanded that departing foreigners arrange with the local Chinese to guarantee payment of any claims which might arise following the foreigner's departure.

The Shanghai incident eventually was settled and officials hope this and other cases will serve as precedents to speed a settlement at Mukden.

Acheson told newsmen he assumes that the Communist authorities now will provide the Mukden staff with transportation to the North China port of Tientsin where ocean passage can be provided.

Elgarose

By MRS. THELMA HANSON

Mr. and Mrs. Milo Howard and children, Jimmy and Judy, of Springfield, Mr. and Mrs. Andy Sjogren, Bernard Sjogren, and Roy Sjogren visited with Mr. and Mrs. Stanley Sjogren and family over Thanksgiving.

Mr. and Mrs. Albert Evenson and daughter Betty of Tacoma, Mr. and Mrs. Eddy Evenson and children Gloria, Darrell and Darla, of Salem, Mr. and Mrs. J. N. Sand and children, Leland, Gary and Joan, were dinner guests of Mr. and Mrs. Joe Sand and family.

Mr. Lee Brown and daughter Sally visited Mr. Brown's parents, Mr. and Mrs. Brown, of Hollywood, Calif.

Miss Donna Sundberg, daughter of Mr. and Mrs. George Sundberg, is ill at home with the mumps.

Mr. and Mrs. George Hanson and daughters Joyce and Linda of Ukiah, Calif., Mrs. Ruth Morrison and daughter Betty Johnson of Willits, Calif., Mr. and

Mrs. Bud Essary and daughter Carla, Roseburg, Mr. and Mrs. Leonard John of Myrtle Creek, Mr. and Mrs. Harold Messenger, Reedsport, Mr. and Mrs. Joe Barnes and sons George and Bobby of Camas Valley, and Mr. and Mrs. Pete Hanson and sons John and Ruben of Garden Valley visited over Thanksgiving holiday with relatives at Elgarose.

Miss Patricia Holmquist visited at the home of her parents, Mr. and Mrs. R. C. Holmquist, over the holiday. Miss Holmquist is a student at Northwestern Business college at Portland. Her parents accompanied her back to Portland.

The Elgarose Parent-Teachers association will meet next Saturday night, Dec. 10, at the Elgarose school. All members and friends are invited.

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Mother Strands in Water Night Long To Save Tot

SEATTLE, Dec. 1 (AP)—A Rockport mother saved her three-year-old child by standing waist deep in the water of her flooded home throughout a storm night.

Friends disclosed the woman, Mrs. A. L. Watson, was rescued Sunday morning by workers who cut through the roof of the building to reach her.

Her husband had crossed the Skagit river Saturday and was unable to return across the flood-swollen waters. As the river overflowed its banks, the water swept into the Watson home and crept steadily upwards.

Mrs. Watson placed her child

Dixiecrats Planning To Run Byrnes For President

RALEIGH, N. C. (AP)—Former Secretary of State James F. Byrnes for president in 1952?

The governor of North Carolina says so.

Gov. Kerr Scott, in a news conference, said speculation at the recent southern governors' conference at Biloxi, Miss., had the matter figured out this way:

Byrnes, former chief justice of

the Supreme court and war mobilizer, would run for governor of South Carolina next year.

(Byrnes said several weeks ago he was considering a try for the governorship). In 1952 states' rights Democrats would propose him to the Democratic party as its candidate for the presidency. If the party objected, the states' rights would attempt to persuade Byrnes to run on a states' rights ticket.

Asked if there was indication that the states' rights Democrats had attempted to make the Biloxi meeting a rally for their cause, Governor Scott replied "Yes."

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