

Shifting Of More Of Tax Load From Low-Income Group To Wealthy Class Asked By CIO

By FRANCIS M. LE MAY

WASHINGTON—(AP)—The CIO declares President Truman's tax program does not go far enough. It has proposed a plan for wide excise slashes and shifting of "present tax burdens from low-income individuals to the wealthy and to high-profit corporations."

Egypt Is Main Target Of Drug Smuggling Rings

By EDWARD POLLAK
CAIRO, Feb. 16. — (AP) — Egypt is the main target of middle east drug smugglers.

The Egyptian Narcotics bureau, waging total war against drug smuggling, reported that in 1948 it had seized 2 million pounds Egyptian (\$5,660,000 U. S.) worth of narcotics being smuggled into the Nile kingdom. Most of these drugs, hashish, opium and heroin, were produced in neighboring countries.

But, the narcotics bureau admitted, during the same period astute smugglers managed to sneak past coast guard posts and camel patrols narcotics valued at more than 8 million pounds Egyptian (\$22,840,000 U. S.).

Drug smuggling has plagued Egypt from the times of the Ababian nights. After World War I it grew to such proportions that authorities decided to launch an all-out effort to crush it.

A narcotics bureau was created, working in close touch with the league of nations and later the United Nations. The Egyptian law was stiffened to provide for long prison terms both smugglers and addicts. A strict watch on Egypt's borders was enforced.

These measures did not deter smugglers allured by profits ranging from 500 to 1,000 percent. Their efforts to outsmart the authorities led to many ingenious tricks.

Smuggled In Tubes
Bedouins smuggled dope over the border in metal tubes which their camels swallowed. Once the frontier inspection was passed they slaughtered the animals. Inspection by X-ray machines finally put a stop to this practice.

Other tricks, too, eventually were foiled by the authorities, but government statistics still are hitting the jackpot in many instances. The main offender among drugs slipped past Egyptian frontiers is hashish, which is very much like Marijuana. Hashish can be either smoked or eaten and is said to create a sense of rapture and elation and to bring about wonderful dreams. At the same time, some doctors say, it ruins health and in the long run makes a wreck out of a man.

So hashish remains high on the list of this country's public enemies.

Washington Soldier One Of Tornado Fatalities

SEATTLE, Feb. 15.—(AP)—A 19-year-old soldier from Carnation, Wash., was listed today as among those killed in tornadoes which swept southeastern states over the weekend.

His body will be sent to funeral parlors at Monroe, Snohomish county, the family was notified.

The victim was Pfc. William J. Dalton, son of Mrs. J. W. Walker and Donald Dalton of Carnation. Friends of his parents said no further details of his death had been received.

He had been stationed at the Slack air force base near Shreveport, La., and had been in the service nearly two years.

75 Families Isolated

ABERDEEN, Feb. 15.—(AP)—The 100-foot steel Vesta bridge across the North river, 16 miles southeast of Aberdeen dropped 20 feet into the water Sunday afternoon, virtually isolating 75 families in the community of North River.

One end of the structure fell in to 20 feet of water, twisting steel girders when rotted pilings of the structure gave way. The residents of the tiny farming and logging community must now drive an additional 60 miles round trip to reach the outside world.

While agreeing with large parts of the president's program, the labor organization recommended to Congress that it also consider in the new tax bill:

Individuals—Steps now to raise the personal individual income tax exemptions that would reduce the taxes of low income families. The idea is to look forward "to the establishment of levels of exemption which permit the maintenance of a minimum standard of living for a family of four." Mr. Truman recommended no change in individual income taxes.

Excess Profits—Reenactment of the excess profits tax on corporations, "in order to equalize the burden and the incidence of our present tax structure." Such a tax was levied in wartime but was repealed shortly after. The president did not propose such a tax.

Undistributed Profits—A new levy on the undistributed profits of corporations, instead of an increase from 38 percent to 42 percent in the corporation income tax rate as Mr. Truman proposed. The CIO suggested a top corporation tax of 55 percent which would be graduated downward in reverse proportion to the percentage of its earnings a corporation pays out in dividends. This in effect would tax the undistributed profits.

Stanley Ruttenberg, CIO director of research and education, presented the statement to the House Ways and Means committee. "Of course," he said in the prepared statement, "we would like to see this committee and the Congress go much further than the proposals and the suggestions contained in the president's tax message."

He said the CIO program envisages a total net gain in revenue "but shifts the incidence of taxation from those least able to pay to those most able to pay."

Separate Returns Rapped
The CIO made no estimate of what its program would yield in additional revenue. It voiced hope Mr. Truman will veto any bill that does not produce a net gain in revenue.

The CIO argued that in periods of full employment and production federal revenue should be sufficiently high to balance the budget and retire part of the debt. "Without jeopardizing needed welfare expenditures for housing, education, social security, etc."

At another point, it said the "infamous regressive provision contained in the revenue act of 1948 permitting the filing of separate individual income tax returns by married couples should be repealed."

On repealing of excise taxes, the CIO asked preferred treatment for the "little man," saying: "For example, taxes upon a 40-cent movie should be completely eliminated before any consideration is given to removing the tax at night clubs. The tax on a \$5 lady's handbag should be reduced prior to the reduction upon a \$100 luxury suitcase."

Treasury Plans Refunding Of 4 Security Issues

WASHINGTON, Feb. 15.—(AP)—The Treasury has announced plans for refunding \$9,442,765,300 in four maturing security issues into two new issues to mature in 1951 and 1955, respectively.

Secretary Snyder outlined this plan:

1. To offer 1 1/4 percent notes maturing July 1, 1951, in exchange for (A) \$2,921,536,000 in one-year, 1 1/4 percent certificates due March 1 and \$962,544,000 in one-year, 1 1/4 percent certificates due April 1.

2. To offer notes maturing March 15, 1955, bearing 1 1/2 percent interest for \$1,962,688,300 in eight-year, 2 percent bonds called for March 15 and \$3,595,577,000 in 18 1/2 month, 1 1/2 percent notes.

Holders of outstanding certificates due March 1 will get 1 1/4 percent interest on 18-month notes. Holders of the April 1 certificate maturities also will get 1 1/4 interest, but for 15-month notes.

SECTION TWO

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RECEIVE GAVELS—Elmo Angeli, Lakeview, on right, State Elks president, is shown receiving from Fuller Johnson, State Elks Veterans service commission chairman, on left, and Walter Ulrich, Roseburg Elks veterans chairman, gavels for each of the 28 Elks lodges of Oregon. The gavels, gifts of the Roseburg Veterans hospital patients, were a surprise presentation at the state Elks association mid-winter conference at Ashland last Saturday night. An additional gavel went to Angeli and to Grand Exalted ruler Emmett Anderson.—(Picture by Memory Lane Studio, Ashland)

Slide Hits Snowplow, Driver Is Drowned

VANCOUVER, B. C., Feb. 15.—(AP)—The foreman of a track clearing crew was swept into the Fraser river when a rain-loosened avalanche roared off a mountainside and across railroad tracks in Fraser canyon Monday.

Victim of the hurling mass of snow and rock was John Torjok of Kamloops, B. C. He was alone on a 100-ton snowplow when it was hit by the slide. His body was tossed into the river and disappeared under the ice pack.

The slide blocked both Canadian National and Canadian Pacific Railway lines. The C. P. R. announced it would fly stranded passengers from Kamloops to the coast and the C. N. R. said it might follow suit.

Don't "Bootleg" Religion, Church Leader Advises

COLUMBUS, O., Feb. 15.—(AP)—"Weekday (religious education) workers must not 'bootleg' religion into the public schools," their leader admonished them here.

The admonition came from Dr. Erwin L. Shaver of Chicago, director of weekly religious education for the International Council of Religious Education. It was delivered before the annual meeting of the ICRE which opened here with about 2,000 delegates in attendance.

Dr. Shaver's reference was to a United States supreme court decision prohibiting the use of pub-

lic schools for the teaching of sectarian religion.

He observed that "school and therefore governmental sponsorship of a humanistic and non-theistic spiritual values program commits our public schools to teaching children that they can lift themselves by their own bootstraps."

But, he added, "weekday religious education workers will answer the challenge . . . of expressing the best in their religion by neither 'bootlegging' religion into the public schools nor supporting a 'boot-strap' religion in those schools."

Weekday religious education, since the high court decision, is conducted off school premises, in some cases during released time from normal school hours.

Harold E. Stassen, president of

the University of Pennsylvania, heads the council.

The council represents 400 Protestant denominations and numerous church and religious education councils.

BANDIT HALF-HUMAN

SPOKANE, Feb. 16.—(AP)—A bandit with a heart held up an 18-year-old boy Monday night.

Alfred Frothinger told police he was walking through a dark railroad overpass when a gunman jumped out and barked, "Let's have it all."

Frothinger handed over his pocketbook and told the robber at the same time he had a mother to support.

The bandit took \$1.50 and left Frothinger \$1.25.

Natives, Police Battle In Riot In Johannesburg

JOHANNESBURG, South Africa, Feb. 16.—(AP)—The second race riot in two days flared in Johannesburg's native quarter Tuesday. Five stores were set afire, automobiles were stoned and several persons were wounded as natives and police fired on each other.

With black-white antagonism rising, citizens of the city felt they were sitting on a powder keg which authorities said threatened to explode into an ugly racial war. Native spokesmen said the unrest was due to the government's segregation policies.

The outbreak at New Clare township apparently was a reaction to the arrest earlier yesterday of 250 natives at the scene of bloody rioting the night before in which five natives and an Indian woman were wounded.

Police had opened fire Monday night on a surly mob which tried to block their arrest of a native who was said to be without the required identification papers. Scores of European whites from neighboring suburbs armed themselves and voluntarily joined the fight to drive the natives back.

In last night's violence rioters attempted to prevent firemen from fighting the fires in five stores that were set burning. Police fired submachine guns, revolvers and rifles to protect the firemen.

Publisher Rapped For Secrecy

MIAMI, Fla., —(AP)—Reubin Klein, a weekly publisher, was ordered to jail for 30 days for refusing to tell the Dade county grand jury his source of information for an article that appeared in his publication.

Circuit Judge Charles E. Carroll found Klein to be in contempt of court. He said Klein's refusal to tell the "whole truth" tended to obstruct the grand jury in its investigation of gambling.

The contempt charge grew out of publication by Klein of testimony allegedly given by two others before the grand jury. Klein's publication is the weekly "Miami Life."

The article quoted Melvin Richard, Miami Beach city councilman who has claimed he was offered a \$200,000 bribe to support gambling, and a radio commentator, Barry Gray.

Judge Carroll said Klein's refusal to answer questions was "a willful obstruction of justice" because it might have indicated whether a grand juror divulged secret information.

Klein entered a plea of freedom of the press. Judge Carroll declared that refusal to divulge a source of information to a grand jury, "is not a privilege under the law although it may be a frequent practice and custom."

Economy, Not Bombs, Best U. S. Defense—Morse

PENDLETON, Feb. 16. —(AP)—"Our strongest defense weapon against Russia is not the atom or hydrogen bombs—but economy," said Sen. Wayne Morse at a Pendleton town meeting.

Sen. Morse spoke with Dr. Edward Robbins, University of Oregon economics professor in support of the Hoover commission report. The town meeting was set up by the local Jaycees to back the national's sponsorship of the Hoover report.

"This is the number one domestic issue facing America. We must start thinking economic trends and do something about this deficit spending," said Morse.

It is generally agreed among experts that the Hoover report is the best report ever submitted to Congress and the people; therefore the report should be favored in any discussion.

Both men said that the Hoover report would save three billion dollars if adopted. Morse said that a billion would come from cutting federal personnel one in every four without any loss in operation.

Robbins indicated that the report could only be adopted through a series of bills. It would be hopeless to get the bulky recommendations through otherwise, he said. By being specific, stalemates are avoided.

The real saving will come from more efficient operation of present federal programs decided on, or through elimination of some of them, said Prof. Robbins.

"We must strengthen the presidency to get savings," he said.

To put the Hoover report into effect, Morse said that there must be some definite line of authority from the president on down in order to know whom to hold responsible. The problem is how much authority to give the president and remain democratic, said the senator.

Lilienthal Ends Job With AEC

WASHINGTON, Feb. 16. —(AP)—The new hydrogen bomb project and a stepped up atomic bomb program switched from one boss to another Wednesday.

David E. Lilienthal ends his service as chairman of the Atomic Energy commission, at midnight, and Sumner T. Pike takes over on a temporary basis.

Whether Pike might shift from acting to permanent chairman a bit later will be up to President Truman and the Senate to decide. There are factors weighing for and against it.

Lilienthal is turning over to Pike the reins of a program that has cost billions, produced the most terrific forces ever manufactured by man, and now is aiming at copying in the hydrogen bomb the energy-releasing processes of the sun itself.

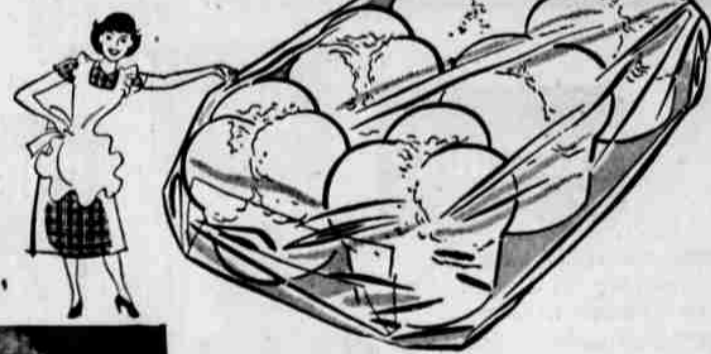
The AEC also is bending efforts in the direction of harnessing atomic energy for peaceful purposes, in such fields as power production and medicine.

Pike is a Maine Republican, a former business and utility executive, and a former member of the Securities and Exchange commission.

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