

President Advises Against Tax Cuts

WASHINGTON, Jan. 8 (AP)—President Truman told Congress Wednesday that for greater prosperity America needs lower prices and labor ought not to press wage demands which will keep them from dropping.

It would be "unsound fiscal policy" to cut wartime income taxes, the chief executive declared in his first annual economic report to the legislative branch.

The main approach to balancing "real purchasing power" with productive capacity, he said, "must be through reduced prices."

Taxes should be kept at present levels, Mr. Truman asserted, because of "The rule of sound public finance that calls for surplus in government revenues over expenditures while employment is high and the total income is large."

He conceded the tax burden is great and should be lightened "as soon as possible," but he cautioned: "When reductions come, it will be important that they be fairly and equitably distributed, that they contribute to the maintenance of purchasing power by reducing the burden on the mass of consumers, and that they help provide the work and business incentives essential for a high level of production."

Nominations Submitted

WASHINGTON, Jan. 8.—(AP)—President Truman Wednesday nominated Francis B. Sayre of Washington of Washington, D. C., as United States representative on the United Nations trusteeship council.

The nomination of Sayre, long a diplomatic adviser and most recently attached to UNRRA, was submitted to the senate with a long list of appointments made during the congressional recess.

The president nominated Vice-Adm. Louis E. Denfeld to the rank of full admiral during the period of his service as chief of naval personnel, the post he now holds.

Stars Get Top Incomes

WASHINGTON, Jan. 8.—(AP)—The film industry got its usual top billing Wednesday on a treasury list of 122 leading money-makers of 1944 and of business fiscal years ending in 1945.

Movie people held more than one out of every four spots on the partial list of over \$75,000-earners and led it with the comedy team of Bud Abbott and Lou Costello. They took in \$469,170 jointly—5234,585 each if they split it.

Hollywood also furnished eight of the 12 persons on the list who received more than \$200,000, but yielded top individual place to a businessman, Thomas J. Watson of New York, president of International Business Machines Corp.

Plotters Interrogated

By JACK QUINN
BUDAPEST, Jan. 8 (AP)—Hungarian informants said Russian and Hungarian troops surrounded the ministry of war and home defense Wednesday while representatives of the ministry's political department questioned employees and arrested three colonels.

The government, investigating alleged counter-revolutionary plots, disclosed Tuesday the arrest of a total of 77 persons.

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The beginning is the chiefest part of any work.—Plato.

Senate Okays Gen. Marshall

WASHINGTON, Jan. 8 (AP)—The senate unanimously confirmed Wednesday President Truman's nomination of General George C. Marshall to succeed James F. Byrnes as secretary of state.

The senate acted within 55 minutes after the nomination of the wartime army chief of staff and word was sent to Capitol Hill by the President, who accepted Byrnes' resignation Tuesday night with regret.

Previously, in a session arranged by Chairman Vandenberg R., Mich., the foreign relations committee had placed its indorsement on Marshall as the man to carry forward the policies laid down by Byrnes in American dealings with foreign nations.

Vandenberg stepped from the presiding officer's chair of the senate to urge speedy disposition of the nomination, a move he said which would demonstrate unity to the world and that the United States has "a continuing and effective foreign policy."

Alaskan Ship Escapes Disaster Near Kodiak

KODIAK, Alaska, Jan. 8.—(AP) A below-waterline plug in the steamship Lakina's fire protection system gave way Wednesday, flooding the engine room as the vessel headed toward sea, and only fast work at the pumps saved the ship.

With the "pumps just holding their own," officers reported, a navy vessel raced to the disabled Alaska Steamship company ship and-escorted it back to harbor here. The engine room was pumped out and crew members found that a plug in the fire protection system, which uses salt water, was gone, letting the water rush in.

Weather Forecast

Oregon—Cloudy Thursday and Friday with snow flurries in mountains Friday. Continued cold. Gentle, variable wind off coast.

Wire Staff:

- La Verne Gunderson
- Kay Richardson

Rent Control to Lift Off Transient Rooms

WASHINGTON, Jan. 8 (AP)—The government Wednesday ordered the removal of rent ceilings on transient rooms in hotels, motor courts and tourist homes, effective Feb. 15.

The hotel industry promised immediately that the action will bring no "across the board" rate increases.

Maj. Gen. Philip B. Fleming, head of the agency, said decontrol of transient rooms in individual hotels and motor courts will go into effect on or after Feb. 15 "as each establishment applies for decontrol and supplies the office of price administration with a list of its permanent rooms identified by room number or by location."

President Nominates

WASHINGTON, Jan. 8 (AP)—Nominations sent to the Senate Wednesday by President Truman included that of Mrs. Franklin D. Roosevelt as a member of the human rights commission of the U. N. economic and social council for a four-year term.

The list also included Frances Perkins, former secretary of labor, to be a civil service commissioner.

Anti-Filibuster Started

WASHINGTON, Jan. 8 (AP)—Five senators launched an anti-filibuster drive Wednesday with strong prospects that it will carry to the senate floor and provoke historic debate—perhaps a filibuster.

Babe's Condition Fair

NEW YORK, Jan. 8 (AP)—Babe Ruth's condition was reported as "fair" late Wednesday at French hospital where the home run king underwent a serious neck operation Monday.

Flight Battle Renewed

PORTLAND, Jan. 8 (AP)—The Matson Navigation company renewed its battle Wednesday for permission to establish air service between Portland, Seattle and Hawaii.

Representatives Picked For Theatre Board

Eight class representatives for the 1947 University theater advisory board were elected Monday night at an all-campus meeting of the University theater.

New board members are: seniors, James Bronson, Don Shirley; juniors, Manuel Golemis, Jeanette Grant; sophomores, Marilyn Wherry, Clifton James; and freshmen, Bob Cockburn, Pat Laxton.

The election of the class representatives completes the membership of the board which also includes Horace W. Robinson, assistant professor of speech and drama; Mrs. Ottilie T. Seybolt, associate professor of speech and drama; Edwin L. Clark, instructor in speech and drama; Marge Allingham, ex officio member and University theater secretary and business manager; and Alan Foster, ex officio member and University theater publicity director.

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Gloria Smith, Wire Editor

Senator Introduces Bill Barring 'Closed Shop'

WASHINGTON, Jan. 8.—(AP) Senator Ball, R., Minn., Wednesday introduced legislation to bar all labor contracts which make either membership or non-membership in a union a condition of employment. Ball said in a statement that 90 days after enactment of his bill, any person "thereafter entering into or attempting to enforce" any of the agreements declared to be outlawed, would be guilty of a misdemeanor punishable by a maximum penalty of a \$5,000 fine and a year in jail.

Warren Rates for '48

WASHINGTON, Jan. 8 (AP)—Rep. McDonough R., Calif., put in a word in the House Wednesday for Governor Earl Warren of California for president in 1948. He told his colleagues to "Watch the Golden State in '48" because Warren "has all the qualifications necessary."



Gen. George Marshall . . .

Appointment of former wartime army chief of staff as secretary of state was unanimously confirmed within 55 minutes after the nomination by President Truman.

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