Soap Company President Is Paid Highest Salary for Year 1939

Treasury Lists Large Earners

Claudette Colbert Draws Largest Amount in Movie Group

WASHINGTON, Jan. 22—(AP)—A soap company paid its president a salary and bonus of $469,713—more than $9,000 a week—in 1938, but tax experts figured he had to spend more than half of it on his income tax.

F. A. Countway of Lever Brothers company in Massachusetts was shown to be the highest paid employe of a corporation in the United States in that year, as the treasury made public a list of 400 persons in 23 states whose paychecks came to $75,000 or more.

Thomas J. Watson, head of International Business Machines corporation, was paid $453,440, and four others received more than $300,000—E. G. Grace of Bethlehem Steel, George Washington Hill of American Tobacco, W. S. Knudsen of General Motors and Claudette Colbert of the movies.

Experts figured that their income tax ran up to 72 per cent. Here are the ten highest paid, with their compensation and approximate, theoretical tax bills, without accounting for exemptions, deductions or other income:

Name.	Comp.	Tax
F.A. Countway	$469,713	$285,100
T.J. Watson	453,440	272,400
E.G. Grace	378,698	219,100
G.W. Hills	331,348	185,900
W.S. Knudsen	303,400	166,400
C. Colbert	301,944	164,300
Warner Baxter	279,807	153,400
Darryl Zanuck	265,000	140,200
Bing Crosby	260,000	136,800
S.P. Skouras	254,500	133,100

Miss Colbert and Skouras, of National Theatres Amusement company, led the Hollywood list but due to an unexplained technicality the treasury did not show payments by Loew's, Inc., and its subsidiary, Metro-Goldwyn-Mayer Pictures, to executives and such stars as Clark Gable, Myrna Loy, Bette Davis, Paul Muni and Greta Garbo. Louis B. Mayer, M-G-M head, led the 1937 list with $1,161,753.

The movies paid salaries of $250,000 or more to Jack Benny and Roy Del Ruth, director; more than $150,000 to Leslie Howard, Loretta Young, Fred MacMurray, George Raft, Bob Burn, Joel McCrea, Charles Boyer and Samuel Goldwyn; and smaller six-figure salaries to Shirley Temple, Henry Fonda, Gary Cooper, John Barrymore, Marelene Dietrich, Frederick March and Tyrone Power.

The list made public by the treasury covered only salaries, commissions, bonuses and "other compensation" and did not include income received from investments and other sources. On this basis, there were no six-figure executives in the aviation, mining and utilities business.

Highest paid banker was Winthrop Aldrich of the Chase National bank of New York at $177,600. Leaders in other fields included W. S. Paley of Columbia Broadcasting Co., $171,849; Owen D. Young and Gerard Swope of General Electric, each $245,447; Walter S. Gifford, American Telephone and Telegraph, $209,350; H. F. Sinclair, Consolidated Oil, $200,550; C. W. Deyo, F. W. Woolworth company, $174,346; H. M. Leisure, Occidental Life Insurance company, $177,668; M. W. Clement, Pennsylvania Railroad, $100,410; J. F. Brownlee, Frankfort Distilleries, $125,000; Hahn company, $180,461; Sheldon Joseph M. Pulitzer, Pulitzer Publishing Co., Robert R. Coons, Lord & Thomas Advertising agency, $108,921, and Colby M. Chester, General Foods, $122,000.

Bidders Eager to Get Salem Bonds

(Continued from Page 1)

in very good shape," the survey states. "Fund balances at the close of the year were in agreement with the balance sheet of the bookkeeper's department of the city recorder's office." The city's bookkeeping has been systematized during the last three years by audits and advice from the state bureau of audits.

Total receipts of the city for 1939 were $808,393.72 and disbursements $796,055.31. The balance on hand at the first of this year was $107,881.28.

During the year a long-standing overdraft in the bond and interest fund was reduced by $12,480.88 and with an item of $13,305.40 in the 1940 budget and a transfer of surplus of $19,816.78 from the general fund the overdraft is expected to be wiped out soon, the report says. The bond and interest fund, as of December 31, 1939, was $92,322.23 overdrawn.

The city received during 1939 in tax money from all tax years $391,389.17, or $29,177.91 more than the 1939 tax levy of $362,210.99.

The tax for citizens of Salem, expressed in mills, shows for 1940 a rate of 24.4 mills for city purposes only and 62.1 mills for all purposes. During 1939 the comparable rate was 24.1 mills and 60.8 mills.

The city received $80,733.22 during 1939 from property owners to apply on street assessment liens.

"The heavy payments," says the survey, "is due to an active campaign by the special committee of the council and the city treasurer's office, transfers of property and the new policy of the federal loan bureaus and the savings and loan associations of not loaning money upon real property encumbered by liens."

The city received $12,646.97 in license fees during the past year, an excess of $1646.97 over the budget estimation. Of the fees $4454.05 were for miscellaneous purposes and $8,192.92 for public utilities.

Allies Must Be Winning War

Premier Daladier and Premier Chamberlain

Judging from the smiles of these two Allied leaders, Premier Edouard Daladier of France, left, and Prime Minister Neville Chamberlain of Great Britain, the Allies must be winning the war with Germany. The two leaders are emerging from a meeting of the supreme Franco-British council in Paris.

Idahoans Travel 2000 Miles to Be Present at State Rites for Loved, Respected Senator From Gem State

WASHINGTON, Jan. 22—(AP)—Two hundred Idahoans sat in a reserved section of the senate gallery today at the funeral of the man who had made their state known all over the world.

Many of them had come by train 2,000 miles for the beautiful and awesome spectacle of a senate funeral for "their own" William E. Borah.

In Idaho he was mostly "just neighbors" but these Idahoans know that once outside the border of the state he dealt with diplomats and with the great of this country, and regard his accomplishmenas as almost fabulously magnificent.

"Gee," sighed one girlish member of the group, "nobody will give a whoop about Idaho any more."

She and others had heard the stories of how Senator Borah "stole the show" from President Coolidge in 1928 when the French premier and the French reporters sought out Borah, then chairman of the senate foreign relations committee, for an interview. His blunt warnings then about dangers of the Versailles treaty "took the play" over the more formal business of the premier's call on the president.

"Cal Coolidge was furious about that," Idahoans will tell you.

Some of them were not so dead sure Borah was right in advocating recognition of Russia, but for the most part they were willing to go along on the grounds that Borah was well nigh infallible when it came to foreign affairs.

Old Jim Cunningham of Hailey sat hunched in a corner of the gallery, staring sadly at the gray coffin and the banks of flowers. He used to be host to Borah in Hailey, that quaint little mining town which passed its best days in the "eighties." Borah was a hot shot lawyer in those times, with one of the fanciest practices in Idaho. It cost him plenty of money to leave that and come to the senate in 1907.

Former Governor H. C. Baldridge sat in a gallery front row. He was a popular republican governor, but remembers that Borah used to run so far ahead of the ticket, come election years, that all the other winners looked as if they had been defeated.

Hard-bitten Tom Rankin of Abston sat in the third row. He used to run a dude ranch, and his coat collar was turned up about his ears as if he still felt the cold gales sweeping down from the lofty Tetons and the Yellowstone.

Idahoans love to remember stories of Borah galloping through Rock Creek park in Washington. He stopped doing that several years ago, but long after he stopped riding horses for fun he still could lead a parade along Warm Springs avenue in Boise, mounted on a fine horse lent him by one of the families whose wealth dated back to the gold rush days.

Idaho hasn't any more Borahs and people from that state will feel almost lonely when strangers stop to say.

"So, you're from Bill Borah's state, huh? He was a great man, even if I couldn't always agree with him."

WU Students Get Mid-Term Exams

Willamette university students began struggling yesterday with semester examinations as the first term of the school year neared its close. Examinations will be concluded for nearly all students by Friday.

The new term will open Monday.

Paper Bought

KLAMATH FALLS, Jan. 22—(AP)—Glenn Thomas announced yesterday purchase of the Butte Valley Star from Mrs. Lillie McDonald.

Melson Switches Plea; Sentenced

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bile dealer; Claude A. Kells, Salem YMCA secretary; W. I. Needham, former sheriff and local merchant; and T. M. Hicks, member of a local abstract firm, all of whom testified that they had known Melson for many years, and that he had always borne the reputation of a sober, honorable and law-abiding citizen.

The state's evidence was introduced by District Attorney Lyle J. Page, who reviewed the circumstances of Melson's arrest by Lieutenant Max Alford of the state police near Woodburn on the night of October 14.

The district attorney indicated to the court that Melson had been driving at not over 20 miles per hour, and that his car was swerving slowly on the highway. He reported the arresting officer as saying the commissioner's intoxication was "mild."

Melson yesterday made no comment on the case, but spent the afternoon as usual at his desk in the county courtroom.

San Francisco at Invaders' 'Mercy'

(Continued from Page 1)

was the most complete he ever had experienced.

Brigadier General Henry T. Burgin, commander of the defense forces, said he was satisfied with the action of his troops despite the theoretical defeat and asserted the invaders had been slowed up at least 24 hours.

Results of the combat maneuvers as compiled and studied by official umpires may remain military secrets, but they will furnish a basis on which military authorities can lay defense plans against a possible real invader.

Tanks and infantry led the invading "black" attack in today's "big push," which blasted a mythical route for the enemy to march on the valuable industrial and military area of San Francisco bay.

Sublimity Girl Dies in Capital

SUBLIMITY — Bernice Joan Minden, oldest daughter of Mr. and Mrs. Anthony Minden, died Monday at the Deaconess hospital after a short illness.

Bernice Minden was born July 18, 1928 at Jordan, Ore., and at the time of her death was attending St. Boniface school at Sublimity. Pallbearers will be her schoolmates. Her funeral will take place at St. Boniface Catholic church Wednesday at 8:30 with requiem high mass read by Rev. Joseph Scherbring.

Surviving are her parents, Mr. and Mrs. Anthony Minden; three sisters, Druscilla, Dolores and Rose Ann; one brother, Glenn Minden. Her remains are at the W. A. Weddle & Son funeral parlor, Stayton, Ore. Recitation of the rosary Tuesday evening at 7:30 o'clock.

Heads of Great Bowed in Grief

Washington Pays Final Impressive Honor to "Lion of Idaho"

(Continued from Page 1)

Borah and the late senator, concluded the services. The Rev. Dr Phillips raised his hand over the casket in a blessing.

Desk of Veteran Stands Empty

Throughout the ceremony, Senator Borah's desk, near the rear of the chamber, stood empty, with a spray of brilliant red roses cascading over the top.

President Roosevelt sat with folded hands and sorrowful mein directly in front of the casket in the well of the chamber. Across the aisle was the distinguished chief justice, Charles Evans Hughes, and members of the supreme court, who knew Borah as a man learned in constitutional law.

Behind the court were ranged the representatives of foreign countries, to whom Borah's thundering voice was one of the most authoritative in the nation during the years he served as chairman of the foreign relations committee.

Mrs. Borah, known affectionately to thousands in Washington as "little Borah," sat in a senate lobby out of sight of the throng in the chamber. With her was Miss Cora Rubin, the senator's secretary for more than 30 years.

Admirers Include Senate Colleagues

Back of the president and his cabinet sat the senator's congressional colleagues, among whom were to be found some of the greatest admirers of his ability and eloquence.

Senator Vandenberg (R-Mich) a close friend, kept his eyes lowered throughout the service. Senator Johnson (R-Calif), his companion in the successful campaign to keep this nation out of the league of nations, sat with his head bowed. Senators King (D-Utah) and Connally (D-Texas) had tears in their eyes.

Vice President Garner and Speaker Bankhead sat together above the billowing tiers of flowers around the senate rostrum. Those who sent floral tributes included both the president and Mrs. Roosevelt and an anonymous 16-year-old admirer who enclosed a quotation from J. G. Holland's poem, "Wanted," with a small potted flower.

Borah Is Held "Needed Man"

"God give us men," the poem began, "the time demands strong minds, great hearts, true faith and willing hands."

A note at the bottom said that the "United States lost a needed man when the senator died."

Mrs. Roosevelt sat apart from the nation's officialdom in the diplomatic gallery. The first lady appeared to be weeping as she left the gallery soon after her husband, last to enter and first to leave, was escorted from the chamber.

A congressional delegation was appointed to accompany the body to Boise. Members of the group include: Senators Austin of Vermont, Lodge of Massachusetts, Nye of North Dakota, Vandenberg of Michigan, and White of Maine, republicans; and Clark of Idaho, Pittman of Nevada, O'Malley of Wyoming, Burke of Nebraska and Minton of Indiana, democrats.

Browder Is Given 4-Year Sentence

(Continued from Page 1)

Garden, the 48-year-old convicted party head made it clear that his congressional candidacy would go on, and asserted that he considered his sentence "a great honor."

"Today," he added, "I receive in your behalf a sentence against our movement. At the same time, carrying our appeal from the court of the ruling class of America to the people of America, the verdict is but one movement in the drive toward war."

"In court today, I was prohibited from speaking except within the limits laid down by the judge."

This apparently was in reference to the fact that, in presenting a case that was defenseless save for his appeal to the jury, he was several times admonished by the court to discuss only the evidence.

He was accused specifically of borrowing the names of three other men and affixing them to passport visas.

This was done, his attorney explained, because as a widely known agent of the Soviet Union Browder's travels through Europe would be beset by danger if his true identity became known.

The Communist leader anticipated his conviction in an authorized statement last week in which the communist party said he might receive the votes of his followers while languishing in prison, like the late Eugene V. Debs, socialist leader, who ran for president from an Atlanta prison cell.

Browder served a sentence in Leavenworth (Kas.) federal prison after refusing to register for the world war army draft on the ground that he was a conscientious objector.

At the sentencing today, Browder, whose official position is that of general secretary of the communist party, U.S.A., stood mute before the bench, his hands clasped behind his back.

His bail of $7,500 was continued until Wednesday when he must appear for approval of a new bond which would allow him continued freedom pending appeal.

He left the courtroom replying "no comment" when asked if he had anything to say.

Most of Nation in Grip of Winter; Schools in South Closed Because Of Absence of Any Heating Systems

(By the Associated Press)

Wintry winds kept virtually the entire nation on the cold standard yesterday.

Although many areas enjoyed moderation, subzero readings were recorded in a dozen states, subfreezing lows were reported in 29 others and subnormal temperatures were registered at a number of points outside the frigid zones.

A recapitulation of deaths attributed to the severe weather since waves of cold moved east and south from the northwest ten days ago showed 257 had perished in 32 states.

The heaviest snow in a decade swept across most of Texas. It ranged from three to seven inches. It was the first fall in ten years in San Antonio and Houston. An inch an hour piled up in Texarkana. The storm reached Little Rock on its eastward fling.

Freezing conditions, tempered somewhat by rain, chilled the citrus groves in the lower Rio Grande valley for the fifth consecutive day.

Clouds and wind saved most of Florida's citrus crop from destruction, but J. W. Milligan of the federal-state frost protection service estimated that about half the beans, peas and tomatoes in the Lake Okeechobee sector would be lost as a result of heavy frost.

Schools in Miami and West Palm Beach were closed because they had no heating systems.

Temperatures rose during the day in most of the east, New England and the mid-west—but ear muffs were still in vogue.

Ice hindered shipping on the Cape Cod canal on the direct route from New York to Boston. Waltertown, NY, had a fresh 12-inch collar of snow. The fall there since last Thursday measured 64 inches.

Subzero temperatures were reported in several cities in the Dakotas, Kansas, Colorado, Montana, Wyoming, Minnesota, Nebraska, Idaho, Missouri, Iowa and Maine. Among the lowest were Granger, Wyo., with -34; Rock Springs, Wyo., -26; Craig, Colo., -35; and Miles City, Mont, -16.

Pacific coast temperatures were generally slightly below normal but under the freezing level at many points.

Deaths included 70 from exposure, 77 in traffic accidents, 81 in fires and 29 from other causes.

Orazio Survivors Tell Rescue Tale

Borrowed Lifeboats Save 48 From Burning Italian Ship

MARSEILLE, France, Jan. 22—(AP)—Survivors of the burning Italian liner Orazio told tales of escape in borrowed lifeboats on a stormy sea when 48 were landed here today.

The ship was a gigantic torch on the Mediterranean 38 miles off here yesterday morning after a mysterious pre-dawn explosion. The fire burned all but two of the vessel's lifeboats.

But rescue vessels which speedily answered district calls sent over their own lifeboats and Italian officials said all 412 passengers were believed saved and most of the crew of 231.

The Orazio, it was disclosed, was shaken by an explosion in the engine room at 5 a.m., and then almost instantly was in flames from bow to stern.

Enginemen who best might have helped explain whether the explosion was due to engine trouble or possibly to sabotage were reported dead—killed instantly by the initial blast.

"I think about four or five were trapped in the engine room," said second officer Giorello.

In Paris, an official statement indignantly denied what was termed a German insinuation that a French control party, which boarded the Orazio before the fire, was responsible for sabotage. The statement was issued in response to a dispatch by DNB, official German news agency.

Ford Ordered to Stop Pamphlets

Claim of Speech Freedom Held Qualified by Labor Board

WASHINGTON, Jan. 22.—(AP)—Declaring that freedom of speech is a "qualified and not an absolute right," the national labor relations board announced today that it had ordered the Ford Motor company of Somerville, Mass., to cease distribution of literature having a "coercive" effect on employes.

Ford pamphlets distributed to employes contained "propaganda" which disparaged labor organizations, the board said, and thus interfered with the employes' right to organization.

Replying to company contentions that to stop the distribution of pamphlets would be to deny free speech, the board pointed to the rights guaranteed in the Wagner act and said:

"The guarantee of such rights to the employes would indeed be wholly ineffective if the employer, under the guise of exercising its constitutional right of free speech, were free to coerce them into refraining from the rights vouchsafed them in the act."

The company was also ordered to cease "maintaining surveillance" of union meetings, but the board dismissed charges that the concern had discriminated against employes because they belonged to unions and assaulted union men distributing union literature.

Meanwhile, a house committee continued its investigation of the labor board. It received testimony that Bernard W. Freund, a nephew of Benjamin V. Cohen of the new deal's famous law team, Corcoran and Cohen, had been employed by the board at $2600 a year, although a regional director for the board expressed doubt that he was worth much more than $50 a month at the time, because of his inexperience.

Freund, 27 years old and an assistant review attorney for the board, testified that he had been employed by the board in November, 1937, at $2600 a year and had since been raised to $2800.

Dies Committee Gets House Okeh

(Continued from Page 1)

orator," Hook said, was Merwin K. Hart of New York City.

ORANGE, Tex., Jan. 22.—(AP)—Rep. Dies (D-Tex) said tonight that a statement by Rep. Hook (D-Mich) that he had actively associated with a Christian Front collaborator was "too ridiculous to justify serious consideration."

Replying to Hook's assertion before a house committee that Merwin K. Hart was a "fellow traveler" in the organization, Dies said he knew Hart but had never been associated with him and knew nothing of him being a "prominent collaborator" of the front.

Education Program Up

A Kiwanis education program will be presented at the regular luncheon meeting of the club today under the auspices of Frank Bennett, city school superintendent and general program chairman.

Pastors Are Told Hitler Must Die

PORTLAND, Ore., Jan. 22—(AP)—Bayonets, being Hitler's God, must be used to destroy him, Dr. Frederick W. Norwood, Vancouver, BC, told the Oregon State Pastors' conference tonight.

Calling the English "those poor blundering countrymen of mine," he predicted "they'll see it through in their way."

About 250 delegates from all parts of the state attended the conference.

Russians Lose 900 in Thrust

Mannerheim Withstands Desperate Effort by Soviet Army

(Continued from Page 1)

to help him and would kill all Finns."

Russian Air Raids Comparatively Light

Isolated actions were reported farther north at Aittojoki.

Russian air raids continued yesterday, the Finns said, but were comparatively light compared with those of previous days. A few buildings were set on fire at Oulu.

The continued cold brought a new problem for the Finns by freezing the Gulf of Finland from Estonia to Finland, raising the possibility that Russian troops might chance an attack across the ice from Estonian bases.

Finns said they were prepared to meet such a Russian thrust, however, as the coast in many sections had been fortified and barricaded with barbed wire.

Long Vote-Wooing Plans Move Along

Louisiana Representatives Pass 20 Measures Over to State Senate

BATON ROUGE, La. Jan. 22—(AP)—In a political forum atmosphere and at the best Huey Long pace, Governor Earl Long's vote-wooing program glided along in the Louisiana legislature today.

The House completed action on all 20 of the administration bills, sent them to the Senate where they quickly gained committee approval, paving the way for adjournment Wednesday—equalling the five-day minimum par established by the late "Kingfish."

While ostensibly weighing the legislation at hand, the main issue in the House debate seemed to be who loved Huey and who didn't in the hectic days when the blustery governor was founding the political dynasty which brother Earl seeks to prolong by winning a gubernatorial runoff primary against Sam Jones February 20.

While Long sought new laws to bolster his vote appeal, final official compilation showed he lacked some 50,000 ballots of winning the democratic nomination—equivalent to election—in last week's primary test against four "reform" candidates. He polled 226,385, against 154,936 for Jones, Lake Charles attorney and political newcomer.

Leading the three eliminated candidates was state senator James A. Noe, former Huey Long lieutenant but vigorous foe of Earl Long, with 116,564. James A. Morrison and Vincent Mosely polled 8,243 and 7,595 respectively.

Noe already is campaigning for Jones and the latter is striving for a full "reform" coalition, a threat which anti-administrations claim was a factor in the governor's sudden calling of the special legislative session.

Long's bills include a proposed referendum on the statewide sales tax, a widely opposed levy, and appropriations for $1,000,000 each for free school lunches and relief payments. Other administration bills repeal old Huey Long "dictator" laws.

Australians Plan Big US Legation

"Down Under" Relations to Be Made Extensive as Possible

WASHINGTON, Jan. 22—(AP)—The United States is taking steps to make its forthcoming diplomatic relations with Australia as extensive as possible at this crucial moment in the Pacific.

Plans are being outlined for a $100,000 legation at Canberra. The new minister, Clarence E. Gauss, until now consul general at Shanghai, will have a foreign service officer as secretary of legation and another as commercial attache, aided by clerks and stenographers.

Formal relations, already announced officially, will be undertaken as quickly as possible now that American attention is focused intently on the Far East as a result of cessation Friday of commercial contractual relations with Japan through the expiration of the abrogated treaty of 1911.

Australia has repeated evinced preoccupation with Japan's growing power. She began last year to develop her navy and air force. She placed millions of dollars of orders here for warplanes which were interrupted by the arms embargo of the old neutrality act. Since the lifting of the embargo in November, the orders have been reinstated and added to, and export licenses of $4,000,000 and more already have been issued.

British Seizure Of Nazis Is Hit

(Continued from Page 1)

the detained Germans. In view of the fact that British action already has given a great shock to public opinion in Japan, repetition of such action would aggravate all the more sentiment of the Japanese nation against Britain.

"From the broad viewpoint of the future of relations between Japan and Britain, the Japanese government request the British government to pay serious consideration to the matter."

The British embassy yesterday declared the boarding was "in accordance with international law" and said the captives were technicians and skilled seamen who would be "particularly useful to the German war effort."

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The Oregon Statesman