

FR Tells 100 Billion Budget

9 Billions Non-War; New Taxes Sought To Meet Part

A (Continued from Page 1) A

must anticipate that both lives and possessions will be assigned to their most effective use in the common effort—the effort for community survival—national survival.

And later: "We are at one in our desire quickly to win this war and to avoid passing on to future generations more than their share of its sacrifices and burdens."

Reading clerks intoned the president's message to both houses shortly after they met. In the senate, there was a loud buzz of conversation, meanwhile, senators wandered in and out of the chamber. The majority leaders, Senator Barkley (D-Ky) and Senator McNary (R-Ore) stood in the middle of the center aisle, holding an animated discussion.

This scene had a parallel in the house, and there confusion was increased by the failure of the loud-speaker system. Mr. Roosevelt warned civilians in his message that on the average they can be supplied with but \$500 worth of goods and services during the fiscal year, or almost 25 per cent less than in the "record" year of 1941. But "even then," he continued, "most of us will be better fed, better clothed, and better housed than other peoples in the world."

Each citizen, he continued, must be assured of "the necessities of life at prices which he can pay," or "rising prices will lift many goods beyond his reach just as surely as if those goods did not exist. A concerted effort to stabilize prices, rents and wages, he added, had kept the "rise in the cost of living within narrow bounds." Prices, he said, could and would be stabilized "with only a limited use of subsidies to stimulate needed production."

He warned that some wanted the stabilization controls relaxed for this or that group. These, he added, forget that "to relax the controls for one group was an argument to relax for other groups, thereby starting the cost of living spiral which would undermine the war effort and cause grave post war difficulties."

Without the tax increase, Mr. Roosevelt estimated that the new budget would increase the national debt to a total of \$210,000,000. Some \$76,000,000,000 would have to be borrowed to cover the broad spread between governmental income and outgo.

The "nation is soundly solvent," he said, and "such a debt can and will be repaid."

At a supplemental press conference held on Saturday, Mr. Roosevelt informally broke the contemplated outlay of \$109,000,000,000 down in this way:

Governor Twice Surprised



As Gov. Charles A. Sprague was confronted by his more than half a hundred applauding Statesman Publishing company employees Sunday afternoon at a surprise party they staged in his honor at the Marion hotel, in anticipation of his return to The Statesman Monday as editor and publisher. The state senate stared a surprise of its own, however, when it failed to elect a president and permit inaugural ceremonies that would have led to Gov. Sprague's stepping out of public office. In background, Mrs. Sprague and Phil Gilstrap, advertising manager of The Statesman.

For the war \$97,000,000,000.
For the war activities of government corporations, \$3,000,000,000.
Other corporations \$2,000,000,000.
Interest on the national debt \$3,000,000,000.
Non-war expenditures \$4,000,000,000.

The war outlay, he told reporters frankly, was less than the army and navy had requested. But he added, it was all that could be feasibly expended—that is, it was an amount which would keep American industry working at full capacity for the entire year.

"Victory cannot be bought with any amount of money, however large," he said. "Victory is achieved by the blood of soldiers, the sweat of workmen and women, and the sacrifice of all people. But a 100-billion-dollar expenditure program does reflect a national effort of gigantic magnitude."

It calls for vision on the part of those in charge of war production, ingenuity of management and the skill, devotion, and tenacity of the men on the farms and in the factories.

"It makes possible the expansion of our armed forces necessary to offensive operations, the

production of planes and munitions to provide unquestioned superiority, and the construction of ships, which will make it possible for us to strike at the enemy wherever he may be. . . . "Moreover, consumer's goods and services will have to be produced in an amount adequate to maintain the health and productivity of the civilian population. And all of this will have to be done while we are withdrawing millions of men from production for service in the armed forces."

VFW Pledges Aid In Enforcing Ban

Members of Marion post 661, Veterans of Foreign Wars, declared themselves "committed to a policy of aggressive cooperation with the police" in enforcing any ban on circulation of unpatriotic propaganda by "alleged religious sects," in a resolution adopted by the veterans' organization Monday night.

City police were instructed recently to halt the circulation of literature by the Jehovah's Witnesses sect, but no action has been reported on the order. Question of legality of such action has been put up to the city attorney for an opinion.

ON the HOME FRONT

By ISABEL CHILDS

Music in the air . . . not only violin music but notes on a variety of levels rang through the crisp January night for me.

The street bus was well filled with concert-goers, a metal helmeted shipyard worker, a family en route to their Market street home, probably following dinner downtown.

One of those silences allegedly occurring every how-many(?) minutes cut into the staccato conversation that had been accompanied by grinding of wheels, and in that otherwise empty space rose the clear treble voice of the six-year-old lass who shared a seat with me: "A-ha, and how can boys have babies?"

And, how could the now-laughing fellow passengers know that I had merely been trying to answer her rapid-fire questions to what were the names of my brothers' and sisters' children? She had already informed me in more too-certain terms that she wasn't interested in the name of any niece I might have, what she wanted to know were "the names of those children you said your brothers and sisters had."

Almost everyone knows there is music in an automobile's well-tuned motor; most of us have heard the melody which may lie behind rhythmically played typewriter keys. But did you know that there can be an entire symphonic ring in the sounds from a battery of linotypes on a "smooth" night?

That is the time when every operator turns out a little more than ordinarily, punches the keys and touches the lever with a lightness matched only by a fine instrumentalist. Think back as I will I can remember no such production before other than the back shop's usual public. So 'twould probably do no good for a layman to stand in the doorway to listen for the humming background that sometimes carries the melody, the sharp, clear foreground, timing the whole and now and then rising to provide the soprano highlights. What he would hear would be rattle and crash, disharmony so great as to be forever outside the realm of music.

Or, can it be that the melody lies within the ear of the listener only? I have never, since December 7, 1941, heard the teletype do other than mutter and jangle as it brought in its burden of news, and yet, somewhere back in that pre-dimout era there was a teletype that sang in my ears—I think.

3 Cruisers, 7 Destroyers' Loss Revealed

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The navy said Rear Adm. Charles P. Mason of Pensacola, Fla., was commander of the Hornet and that he is safe.

The battle in which the Hornet was lost was a costly one for the Japanese. The only other American ship lost in the action was the destroyer Porter. The Japanese, on the other hand, suffered two aircraft carriers heavily damaged, a battleship damaged, and damage also to five cruisers.

The name of the Porter had previously been disclosed and no reference was made to that ship in Monday night's communique.

The cruisers Juneau and Atlanta, practically new ships, having been commissioned in 1942 and 1941, respectively, were lost during the great mid-November battle of Guadalcanal in which the Japanese were defeated with extremely heavy losses in their greatest attempt to reconquer the strategic island from which the battle takes its name.

The seven destroyers also were lost in that furious night engagement.

The Northampton was sunk by enemy action during an engagement north of Guadalcanal on the night of November 30-December 1. Some other American ships were damaged, but the Northampton was the only one reported sunk. The Japanese lost in that engagement two large destroyers or cruisers, four destroyers, two troop transports and one cargo ship—all sunk.

The loss of the Hornet reduces the group of seven aircraft carriers with which the United States started the war on December 7, 1941, to three still afloat. The others lost were the Lexington in the battle of the Coral sea, the Yorktown at Midway, and the Wasp in the Solomon campaign.

The three remaining of the original seven are the Enterprise, the Saratoga and the Ranger. The Hornet, like most of the other carriers the navy has lost in action, did not go down immediately, but was only severely damaged while in contact with the enemy. She sank subsequent to the actual attack by enemy planes.

The communique issued on October 31, which merely reported the sinking of an unidentified carrier, said the vessel was twice attacked by enemy bombers and torpedo planes near the Santa Cruz Islands. The first attack occurred

Budget in Brief

WASHINGTON, Jan. 11.—(AP) The budget, in brief, as outlined Monday by President Roosevelt. (For fiscal year beginning June 30.)
Treasury net receipts, \$33,081,245,923.
Treasury spending for war activities, \$97,000,000,000.
Treasury spending for other purposes, \$7,128,924,923.
Total treasury spending, \$104,128,924,923.

Violin Artist Holds Crowd

Albert Spalding in Concert Pleases 'Average Listener'

By MAXINE BUREN

From the moment that Albert Spalding, brilliant American violinist, drew his bow across the strings of his violin in the first number until the last tones of his final encore faded, listeners Monday night were completely captivated.

A mere layman cannot describe, does not know, the technical perfection of his performance, and words cannot do it justice.

But an "average listener" can enjoy violin music thoroughly, and have a definite reaction to this performance which thrilled the music lover and satisfied to the utmost the technically trained musician.

The layman's enjoyment came in the sheer beauty of tone and the confidence of the artist. The audience was not shocked into listening by affected mannerisms, it was compelled by the sheer beauty of the music. From the swing of the violinist's body and the draw of the bow, one feels that Spalding means what he is playing.

The velvet tones of the "Pastoral Gentle" by Frascobaldi, Beethoven's "Sonata in G Major," Granados' "Spanish Dance" and Spalding's own "Alabama" and "Castles in Spain" were all pleasurable to the ear, and understandable to the "average listener." "Nocturne" by Chopin and "Caprice" by Saint-Saens were melodious. The brilliant "Concerto in D Major" by Paganini was compelling in its perfection.

His selection of encores was the final seal of the audience's appreciation for Albert Spalding—"Ave Maria" by Schubert, Brahms' "Waltz" and sonorous tones of Chamnade's "Serenade."

Treat Soldier Like Man, Is Major's Plea

Soldiers should be treated as though they were civilians, as individual human beings, Maj. R. E. Riordan, director of intelligence and internal security at Camp Adair, told a Salem chamber of commerce audience Monday noon.

They are no different, because of their uniform, than civilians, the major declared, and their conduct averages out favorably.

"Look at what kind of men they are," the speaker advised. "You don't want to have the same unfavorable remarks passed about your boy who is in service that you often hear about the man in uniform."

Law enforcement problems are not changed by the presence of soldiers, Maj. Riordan asserted. Those problems still are, as to the soldier as much as to the civilian, ones of obedience and disobedience to established laws, problems that in each case are for local police departments to handle, he said.

Major Riordan warned, however, that "if one of your places begins to assure the aspect of a dive, the soldiers will be told to stay away and they will do just that."

In defense of the soldier, Maj. Riordan challenged the city of Salem to equal the record of Camp Adair, which he said was in effect a larger city. Since September 1 the camp has had only 127 listed cases of drunkenness, he explained.

The major urged that soldiers be treated as men "because they are doing a man's job." He also suggested that they not be given "entertainment indigestion" by having so many things planned for them that they have no chance to plan anything for themselves.

How To Relieve Bronchitis
Cremulsion relieves promptly because it goes right to the seat of the trouble to help loosen and expel germ laden phlegm, and aid nature to soothe and heal raw, tender, inflamed bronchial mucous membranes. Tell your druggist to sell you a bottle of Cremulsion with the understanding you must take the way it quickly allays the cough or you are to have your money back.
CREMULSION
For Coughs, Chest Colds, Bronchitis

FR Names 8th Man to Court

Westerner Is Chosen; Flynn Naming Sets Off Fireworks

C (Continued from Page 1) C

school in 1931, and remained there until he was named to a similar post at the University of Iowa in 1935.

In 1938 Mr. Roosevelt named him to the District of Columbia court, termed by former Senator George W. Norris the nation's second most important tribunal.

Because of the years he spent in the west, Judge Rutledge has been considered by many an expert on matters affecting that section, notably irrigation, public domain and Indian affairs.

Terming democracy "a perpetual compromise," the jurist has expressed firm belief in the power of the federal government to "control production, phobias limits upon the scope and methods of unfair competition, and to regulate all phases of industrial and commercial life which fundamentally affect those problems."

WASHINGTON, Jan. 11.—(AP) President Roosevelt's nomination of Edward J. Flynn, retiring democratic national chairman, as minister to Australia, touched off the first real fireworks of the new congress Monday.

Senator Bridges (R-NH) took the senate floor shortly after the appointment was announced to term it an "insult" to the people of Australia. Democratic leaders nonetheless expressed confidence the nomination would be confirmed.

Flynn himself wrote the senate foreign relations committee asking that "a full and complete hearing" be held on any charges that might be raised against him. He added in a statement that he welcomed an opportunity for the committee to bring into the open "baseless charges" that he had used New York City materials and labor to pave the courtyard of his estate.

In addition to the post of minister to Australia, Mr. Roosevelt named Flynn as his personal representative with the rank of ambassador in the southwest Pacific area. He will, however, receive only a minister's pay, \$10,000 a year, instead of the \$17,500 salary paid to an ambassador.

The nomination, which the democratic chief announced in a precedent-shattering announcement in New York last Friday, was one of a number sent to the senate Monday. The president named former Sen. Fredric B. Brown of Michigan to be price administrator succeeding Leon Henderson, and former Sen. Josh Lee of Oklahoma to membership on the civil aeronautics board. All are democrats. Brown and Lee were defeated in the November elections.

Argentina Asks Call

F (Continued from Page 1) F

Last October assistant Secretary of State Sumner Wells charged that axis espionage was flourishing in Argentina and Chile. Both countries were quick to protest, but two months later Wells' charges were substantiated when Federal Judge Miguel Janus announced that an investigation of 38 persons rounded up on tips from Washington had revealed that the German embassy was directing axis spying in South America.

The day before Judge Janus made his startling disclosure regarding Niebur, the Argentine government adopted new controls over telegraph, telephone and radio communications. These placed a severe handicap on the German embassy, allowing the transmission of only 100 words in code daily by radio compared to previous secret messages to Berlin that had totaled 3000 words.

Hospitals Approved

PORTLAND, Jan. 11.—(AP) The Oregon state hospital at Salem and the Salem General hospital were among 29 Oregon hospitals approved by the American college of surgeons at a recent Chicago meeting.

Hero to Speak Here

Capt. Marion Carl, Hubbard, marine flying hero, will address the house of representatives here at 10 a. m. Wednesday. He will be accompanied by his bride of a few days and his mother and sister. Carl is now on furlough from actual combat duty.

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For Coughs, Chest Colds, Bronchitis

Seated



Frederick S. Lampert (above) and John Carson (below) were seated by the state senate Monday as senators, although they were appointed by the Marion county court as pro tem legislators in place of Capt. Douglas McKay and Allan Carson. The latter men, elected in November, were disqualified by the senate.

Coal Industry Asks Return

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where he said an estimated 15,000 miners now are out.

John L. Lewis, UMWA president who attended the meeting, had no comment to make.

The entire sprawling Pennsylvania anthracite field became affected by a wildcat strike of hard coal miners Monday, despite a back-to-work move in one section and fresh pleas from a government official and the war labor board for an immediate resumption of production.

The 13-day-old walkout—denounced by union leaders and the government alike—spread to the United Mine Workers' important district 9, embracing the Shenandoah-Pottsville-Shamokin area, when 500 workers at the Reppiller Coal company colliery at St. Clare walked out in sympathy. At the same time an estimated 5000 of the 24,000 strikers in districts 7 and 1—center of the dispute—returned to their jobs pending efforts to settle their protests over a 50-cent-a-month increase in union dues and their demands for a \$2-a-day wage increase they say is necessary because of increased living costs.

Aussie Planes Torpedo Ship

US Forces Advance In Guadalcanal, Cut Burma Japs

B (Continued from Page 1) B

grenades and machine guns. On the east flank, allied artillery and machine-gun fire reduced a Japanese bunker which was under construction, killing a number of the enemy defenders.

An announcement that US planes of the India force had cut Japanese communications between northern and southern Burma by smashing the central span of the bridge over the Irrawaddy river near Mandalay.

In a land attack carefully coordinated with artillery and aerial bombardment, American forces on Guadalcanal scored four "small advances" into Japanese territory Sunday, the navy announced Monday.

Reports of the action gave some evidence that it might be the start of a general offensive with the ultimate objective of securing strategic island, but naval spokesmen said they had no information that such was the case and added that the operation thus far revealed appeared to be of a minor nature.

Enemy resistance to the advances was weak, the communique said.

High School Changes Set

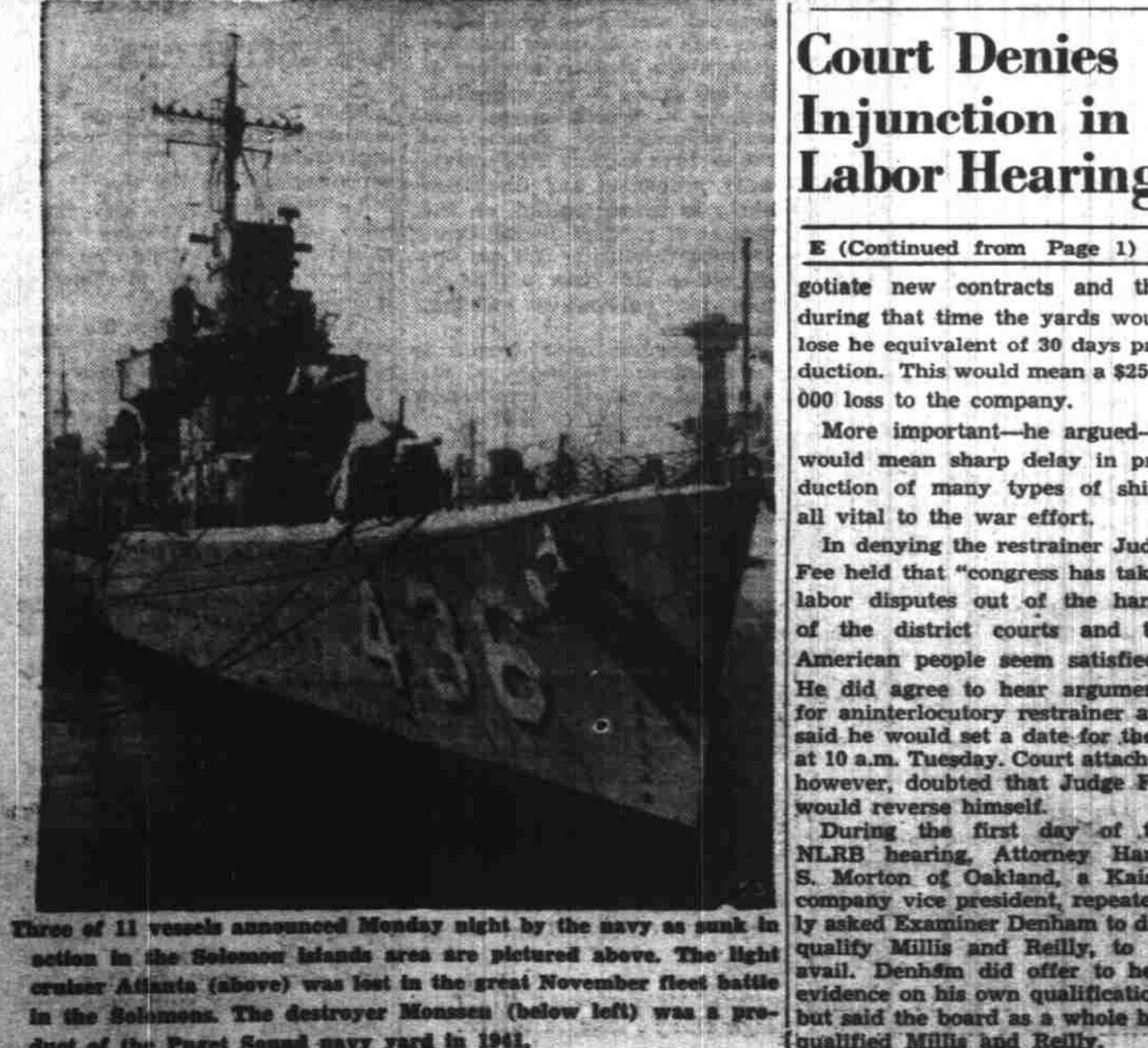
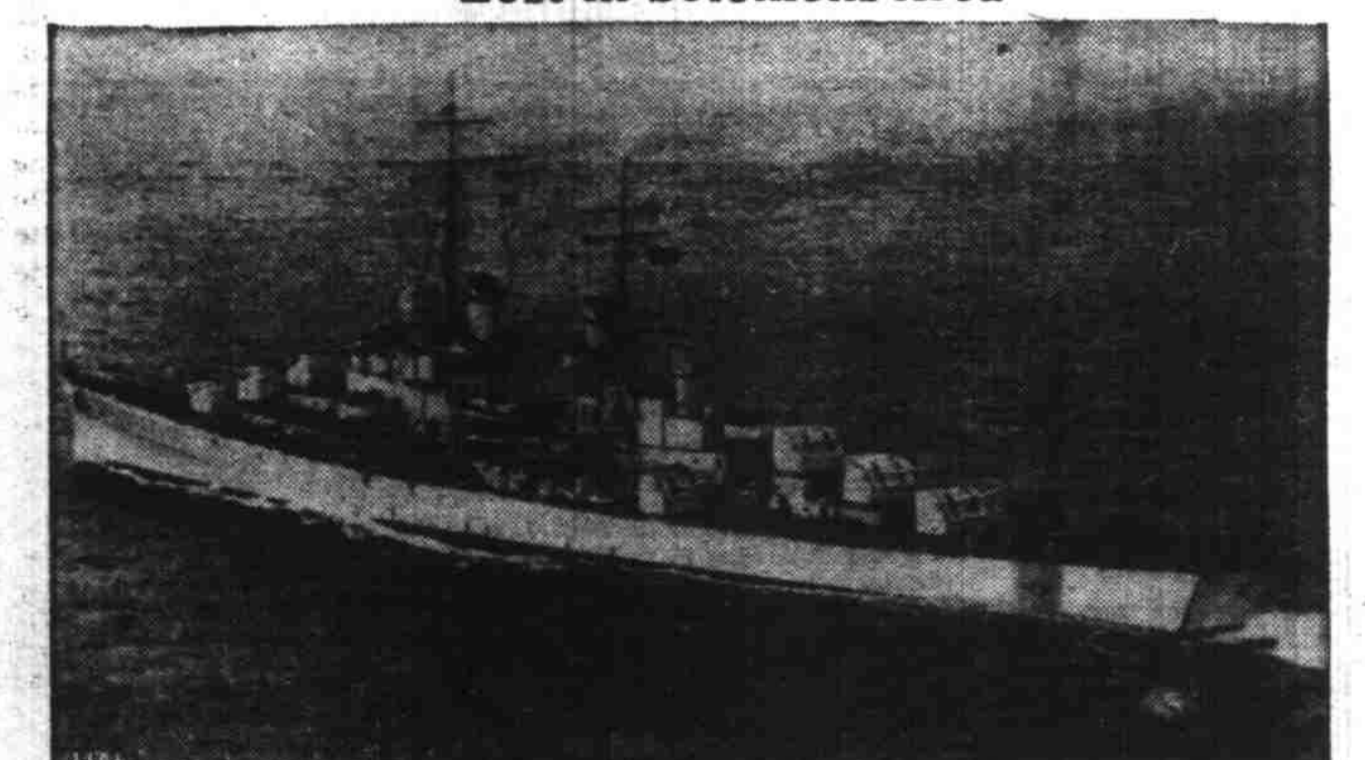
Just how drastic changes in the Salem senior high school curriculum will be accomplished is expected to be learned at an all-school assembly this afternoon when Principal Fred D. Wolf presents plans for the second semester to the student body.

Tentative plans as outlined at a faculty meeting Monday afternoon involved changes in student schedules in order to install six class periods daily, thus eliminating activity periods. Emphasis will be placed upon the physical fitness and victory programs. However, it was generally understood the number of total school hours will not be seriously affected although the physical program calls for gym activity five days a week.

GRAND A NIGHT TO REMEMBER
LURETTA BRIAN YOUNG AHERNE
Underground Agent

Now STATE
William Powell Myrna Loy "Shadow of the Thin Man" AND Red Skelton Lionel Barrymore Lew Ayres "DR. KILDARE'S WEDDING DAY" Box office opens 6:45 p.m.

LIBERTY
CARY GRANT JEAN ARTHUR RONALD COLMAN
The Talk of the Town EDGAR BUCHANAN Starts Wed. - 2 Hits
Ida Lupino Jean Gabin Thomas Mitchell in "MOONTIDE" PLUS Ralph Bellamy Margaret Lindsay in "ELLERY QUEEN AND THE MURDER RING"
In Old California John Wayne Bonnie Barnes Edgar (Comed)



Three of 11 vessels announced Monday night by the navy as sunk in action in the Solomon Islands area are pictured above. The light cruiser Atlanta (above) was lost in the great November fleet battle in the Solomons. The destroyer Monssen (below left) was a product of the Puget Sound navy yard in 1941.