CITY EDITION

Eugene Register-Guard

LANE COUNTY'S HOME NEWSPAPER

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udget Of 100 Billion t Up By President

ASHINGTON, Jan. 13.—(AP)—President Roosevelt laid e congress today his second $100,000,000,000 war-time et embodying plans for at least 18 months more of global ict but at the same time reflecting preparations to ab- the impact of sudden victory in Europe.

For war activities alone the new budget projects expenditures of $90,000,000,000 in the fiscal year beginning July 1, on the assumption that the fighting will continue full tilt at least until mid-1945.

Roosevelt summed up the budget as "the financial requirements for victory." He included a demand for "a truly stiff fiscal program" providing at least $10,500,000,000 in new taxes on top of the $40,769,000,000 which he estimated present revenue laws will produce in fiscal 1945.

He also urged congress not to alter the contract renegotiation laws, under which war production costs can be whittled down, or the automatic doubling of the one per cent social security levies which would have gone into effect January 1 except for congressional action temporarily delaying the effective date.

BUDGET IN A NUTSHELL
By ASSOCIATED PRESS

Estimated expenditures for fiscal year beginning July 1—$99,769,000,000, including $90,000,000,000 for war.

Revenue estimated for same period—$40,769,000,000.

Deficit for the year—$59,000,000,000.

Expected debt by fiscal year end (June 30, 1945)—$258,000,000,000.

New taxes proposed — $10,500,000,000.

Total war program by fiscal year end—$397,000,000,000.

Line Can Be Held

He advised the lawmakers, too, that his estimates are based on the assumption that the wage and price line will be held.

"I am convinced that the line can be held," he said. And he reiterated his belief in the necessity for "judicious use of subsidies" to hold down the cost of living.

Barring a European victory or other major development, the war program from the start of defense preparation in mid-1940 to June 30, 1945 will involve a total of $397,000,000,000—of which $292,000,000,000 will have been actually spent. The rest will represent unspent obligations in the form of contracts for future delivery.

While foreseeing the twin possibilities of an unfavorable turn in military events or victory in Europe "earlier than assumed," the president declared the time is at hand not only for wartime readjustments but for preparations for peace.

Demobilization Begins

"Demobilization begins long before hostilities end," he added in setting forth seven problems he said require a "positive" not "negative" approach to assure the soldier, the worker, the businessman and the farmer "against economic chaos." His problems were listed as: contract termination, surplus property disposal, industrial reconversion, manpower demobilization and reemployment, public works planning, veterans legislation and social security, and international readjustment.

"While we are still expanding war production," the message said, "we have already terminated more

SEE BUDGET STORY PAGE 3

e Extension r Bonneville wer Planned

SHINGTON, Jan. 13.—(AP)—ident Roosevelt told congress that it was planned to ex- the Bonneville power adstration's transmission lines 21 circuit miles during the ending next June 30 and in- e the number of sub-stations

said in his annual budget ge that by the end of the year ending June 20, 1945, would have been extended to st 2504 miles of transmission and 53 substations. He said onstruction program in the fiscal year is estimated at 6,000.

e president asked congress to prize the use of $3,734,000 funds previously appropriat- r construction purposes for tion and maintenance of the ric system and facilities and marketing of power.

e budget makes no mention y further construction ed at Grand Coulee but it ides that $900,000 held in a al account by order of the dent shall be released for tion, maintenance and re- ment of facilities turned by contractors and for pay- s to the school districts serv- Mason City and Coulee Dam nstruction to children of gov- ent employes.

ORTLAND, Ore., Jan. 13—(AP) e Bonneville administration today its lines already extend miles than listed by Presi- Roosevelt as the goal for

ergency construction in the effort boosted the lines to circuit miles and placed 53 tations in operation, engineers The president's budget mes- to congress said 2504 miles 53 substations would be oper- by mid-1945.

e administration also said the request to transfer $3,000 in construction funds to ating expenses did not mean ellation of construction proj-

anned extension of power previously was postponed the end of the war. The $3,000 fund consists of unexded money and its transfer for ating expenses would cut the appropriation necessary the coming year.

rmer Eugene Flier lled in Pacific

ebster L. Kincaid, Jr., a lieunt in the United States army forces, was killed in action in south Pacific January 7, acding to a telegram just receivby his cousin, Mrs. E. A. Bar- of Eugene from his mother ortland.

he young lieutenant attended University of Oregon prior to enlistment in the army. He the son of Webster L. Kin- of Portland, who was born reared here, and a grandson the late Harrison R. Kincaid, y day newspaperman, who ed and published the Oregon e Journal, a weekly paper , many years ago.

esides his parents, Lt. Kincaid urvived by his brother, Harri- R. Kincaid, of Portland.

a Lion Caves Lose ssessment Appeal

ssessed valuation of the propy of the Sea Lion Caves as ed by the Lane county board equalization has been approved the state tax commission and appeal of the caves company n the action of the board has n dismissed. An order of the commission to that effect was eived at the office of County rk Walter B. Dillard Thursday. he assessed valuation as of uary 1, 1943, on the caves perty of 72.84 acres and the ildings, located on the Oregon st highway a few miles north Florence, was originally entered the assessor as $10,900, but the rd of equalization reduced it to 00. The caves company asked t the valuation be reduced to 00, basing its claim for reduc- on the reduced revenues, due less automobile travel in the t two years.

Weather

U. S. Weather forecast: Oregon udy today and Friday with occional rain along coast, and st of Cascades, and snow over untains; strong to gale winds ng coast; slightly warmer toy; cooler western part, Friday.

Local Statistics: Minimum temrature, Thursday morning, 31 grees; maximum temperature, dnesday, 40 degrees; precipion over Wednesday, .01 of an ch; stage of Willamette river in gene at 7 a. m. Thursday, -.99 a foot.

SLAW TIDES (PWT)

day
High ..... 4:16 a. m., 3:37 p. m.
Low ..... 10:04 a. m., 10:23 p. m.
rsday
High ..... 4:12 a. m., 4:20 p. m.
Low ..... 10:48 a. m., 10:53 p. m.
day
High ..... 5:28 a. m., 5:05 p. m.
Low ..... 11:33 a. m., 11:30 p. m.

Road Through Eugene Heads Post-War List

First project on the post-war program for the state highway commission will be completion of the Pacific highway "through and beyond Eugene," it is announced following a session of the commission in Portland, Wednesday.

Although the commission did not specify all that may be included in "through and beyond Eugene," it is understood to mean such projects on the Pacific highway from Eugene all the way south through Roseburg to the new Sexton mountain unit as have been surveyed, engineered and prepared for early construction.

In the immediate vicinity of Eugene the following units were ready for contract before war stopped construction

Broadway to Judkins Point, construction of new roadway on old Southern Pacific right-of-way, making 4-lane boulevard and landscaping of large "safety strip" between roadways.

End of Judkins Point overhead to Springfield bridge, construction of 4-lane highway for which right of way is ready.

Judkins Point to Goshen, new line and paving, for which surveys are complete and considerable right of way acquired, although substantial line changes may yet be made.

Broadway to tie in with Sixth-Seventh cross-town at High street, with carefully worked out traffic separation at High street junction. This project ties in with county's projected bridge to replace old Ferry street structure and with elimination of the High street grade crossing (last on east side) and

SEE ROAD THROUGH STORY PAGE 3

Minister Scores Defeatism at Rally

Lane county people can help to abolish wishful thinking and defeatism that precedes the post-war period by putting over the fourth war loan with success, Reverend Norman K. Tully of Central Presbyterian church told workers at the opening campaign rally Wednesday night at the Eugene hotel.

The minister scored the defeatist thought that "the dictators have got us," and urged the 150 leaders to "look reality straight in the eye" so that few mistakes will be made in the period which approaches peace.

"This campaign gives us an opportunity, through purchase of war bonds, to hit every totalitarian head in the world and split it wide open," Dr. Tully declared.

Speakers on the banks' role in the drive were C. L. Carpenter, Junction City branch of U. S. National bank, and Rogers W. Kimberling, Eugene First National bank. Carpenter said that the bankers' part is principally to advise prospective buyers, and to help avoid mistakes made at times when investors purchased types of bonds which would not bring them the greatest benefit.

Kimberling urged solicitors to learn what kinds of bonds can be bought, and pointed out that there are limits on each bond issue purchased by corporations and individuals.

Mrs. J. Don Smith, head of the women's division of the war finance committee for Lane, declared that in the drive beginning January 18 a greater effort than ever before will be exerted to in-

SEE MINISTER STORY PAGE 3

Grants Pass Jails Local Stage Driver

Oliver Fletcher Wilson, 44, of Eugene, driver of the midnight Greyhound bus from Portland, was fined $150 and sentenced to 60 days in jail by Justice of the Peace J. R. Mathews at Grants Pass Thursday, on a charge of drunk driving. He pleaded guilty, Judge Mathews said.

State Policeman C. R. Borgman and District Attorney O. J. Millard signed the complaint. Borgman said he met the bus on its arrival and arrested the driver after being notified from Grave Creek by two women passengers that they had left the bus because they feared to continue to Grants Pass.

Boys Outnumber Girl War Babies Born Here

Birth statistics at Sacred Heart general hospital during the two war years ran according to form on the national basis, the males being about 52½ per cent of the total number of babies born there, it is reported by some of the staff physicians compiling figures from the hospital.

In 1942 there were 643 males and 574 females born at the hospital; and in 1943, 630 males and 575 females. Statistics show the national average runs about 105 boys to 100 girls.

Destroyer Brownson Lost in Pacific

WASHINGTON, Jan. 13—(U.P.)—The navy revealed today that the destroyer Brownson was lost in action off New Britain during the landing of American forces on Cape Gloucester.

The loss of a destroyer in this action but not its identification, was announced on Dec. 27. The navy said today that there were 208 survivors.

OPA JOB FILLED

SAN FRANCISCO, Jan. 13.—(U.P.)—Appointment of John M. Olney, Berkeley businessman, to head the OPA's rationing program in California, Oregon, Arizona, Nevada, Washington and northern Idaho, was announced today by Leo F. Gentner, OPA regional administrator.

Reds Threaten Key Nazi Bases

MOSCOW, Jan. 13.—(AP)—Gen. Nikolai Vatutin's highly mobile first Ukrainian army, expanding its front on the Sarny sector (in old Poland) to a width of 50 miles or more, struck out in several sweeping movements today to threaten the German-held strongholds of Rovno, Pinsk and Kovel.

The strong armored and infantry force of Vatutin's right wing which captured Dombrovitsa, 20 miles north of Sarny on the Rovno - Sarny - Baranowicze railway, fought its way through frozen marshland country to within 50 miles southeast of Pinsk, important center on the Gomel-Brest-Zitovsk railway.

A new offensive launched Tuesday to the north of the marshes by Gen. Konstantin Rokossovsky's white Russian army was approaching the city of Mozyr, 80 miles southwest of Gomel, along a 20-mile-wide front. Dispatches said that German troops in front of Rokossovsky's advance were falling back toward Pinsk.

Using Sarny as a pivot, Vatutin sent other flying columns south and dispatches reported them operating within 23 miles north of Rovno, an advance of approximately 27 miles through marshy terrain to high ground beyond.

Other units reportedly were striking westward from Sarny toward Kovel, an important junction on the Kiev-Warsaw railway.

In the southern Ukraine the left wing of Vatutin's forces encountered strong German counterattacks east of Vinnitsa, but continued to smash through German resistance south of Belaya Tserkov. Farther east Gen. Ivan S. Konev's second Ukrainian army, driving for a junction with Vatutin's group, scored additional successes against the enemy in the Korovograd salient.

State Offers Aid In Taking Lane Sand, Clay Inventory

Lane county can enjoy excellent opportunities for future development in the non-metallic field if an inventory is made of her sands, clays, ornamental and building stones, ochre and other natural materials and small industry given a chance to develop these native products.

This was the gist of the discussion held Wednesday night when the mining and industry committees of the Eugene chamber of commerce met with Earl K. Nixon, state director of mineral industries.

The state department of mineral industries would be glad to cooperate with Lane county on a match money basis for the exploration and drilling of Lane's non-metallic resources, Nixon stated. Coos county has availed itself of this cooperation and is now conducting experiments on the utilization of Coos coal, he pointed out.

The possibility of establishing a glass factory by using deposits of silica sand found in this area was also discused by Nixon, who said that if sufficient beds can be discovered here to insure permanent production, and if Coos Bay coal can be developed economically there was much reason to believe that such an industry could be set up on an economic basis.

Dr. Warren D. Smith pledged help of the geology department of the university, of which he is head, to the development of Lane county non-metallic minerals, and said that a county-wide non-metallic inventory would be a forward step.

W. B. Gard, chairman of the industries committee of the Eugene chamber of commerce, and G. S. Barton, chairman of the mining committee, agreed to combine their committees in making an inventory of Lane county non-metallic products. Earl McNutt, president of the chamber, told the 20 members present at the meeting that his organization would back any such inventory, for the community.

Cassino Periled On Three Sides

ALLIED HEADQUARTERS, Algiers, Jan. 13.—(AP)—Virtually the entire American fifth army was on the move today as it broadened its offensive from near the coast to central Italy and sent French units hammering through 3000 and 4000 foot high mountains to threaten Cassino from a third side.

American infantry swept to within three miles of Cassino in a frontal attack with the capture of Cervaro at 1 p. m. yesterday after almost surrounding the village, haedquarters announced. The Germans already had announced its loss.

In the first day of the French offensive in the mountains of central Italy, Gen. Alphonse Juin's troops advanced two-thirds of a mile southwest of Rocchetta, 12 miles northeast of Cervaro.

The allies thus held mountains overlooking Vittcuso from two sides. The surprise French advance caught a number of German prisoners. Juin's troops, fighting in some of the roughest country in Europe where virtually all supplies must be hauled by mule and hand from one peak to another, were threatening the Cassino-Atina road, one of the two valley highways leading north from Cassino.

On the eighth army front there were only patrol activity and heavy artillery fire.

Announcement of more details of the sky battle over Sofia on January 10, disclosed that the Americans had won a crushing victory. At a cost of two of their own planes, the Americans shot down a total of 28 of the enemy.

Mrs. Luce's Talk Here Cancelled

Clare Boothe Luce, member of congress from Connecticut who was scheduled to address a public gathering in Eugene next Monday evening, has cancelled her talk here, according to a telegram received late Wednesday by Pro America, sponsor for the address.

Mrs. Luce's only child, her daughter, Ann Clare Brokaw, was killed in an automobile accident earlier in the week. Mrs. Luce has cancelled all further appearances on her tour, through arrangements with the republican national committee, whose women's division was sponsoring Mrs. Luce on her tour.

"First Citizen" Event Thursday

Scheduled for Thursday evening, 6:30 o'clock, is the annual "First citizen" banquet of the Eugene Realty board, honoring all men and women from Lane county in the service. The banquet will be at the Osburn hotel as a public gathering. For the duration of the war the board designates no one individual to be "first citizen of Eugene," but all the service men and women.

Huge Sky Fight Prepares Way For European Invasion

U. S. Bombers Blast Formosa In Second Raid

U. S. 14TH AIR FORCE HEADQUARTERS, China, Jan. 13.—(U.P.)—American Liberator bombers, striking deep into Japanese "home" territory from secret bases in China, raided the island of Formosa for the second time Tuesday night and followed that attack with their first blow of the war on the Siamese capital of Bangkok, a communique said today.

Striking across the south China sea without escort, the big Liberators dropped 12 tons of high explosives and incendiaries on a vital Japanese aluminum plant at Takao, on the southwest coast of Formosa, setting big fires throughout the target area.

(Radio Tokyo, announcing the raid yesterday, said the bombers also hit Ensui, 50 miles north of Takao, and indicated they may have feinted toward the main Japanese islands, 800 miles farther north, to throw off the Japanese defenses.)

The communique said heavy antiaircraft fire was encountered over Takao, but that not a single enemy fighter rose to challenge the night raiders.

The only previous attack on the island was carried out by the 14th air force's raiders last Thanksgiving—a daylight blow at Shinchiku, in which at least 31 enemy planes were destroyed.

Less than 24 hours after the Tuesday night raid on Formosa, the Liberators struck 1500 miles to the southwest at Bangkok, giving that blacked-out satellite capital its first taste of the air power gathering in China.

Bangkok's ground defenders threw up a heavy searchlight and flak barrage, but the Liberators pressed home their attack and dropped 15 tons of bombs across the Banngsue railway yards and the Don Maung airdrome, touching off fires and explosions.

War In Brief

By United Press

Italy—Americans capture Cervaro, close in for frontal assault on Cassino, guarding valley approaches to Rome; Franco-American troops win several strategic heights on enemy left flank.

Russia—Russian launch new winter offensive in white Russia, surrounding Mozyr and threatening to trap German forces in Pripet marshes; advance along 95-mile-wide front in prewar Poland.

Western Europe—Report three important aircraft plants seriously damaged in American attack on reich Tuesday, depriving Germans of hundreds of planes counted on to repel invasion.

Pacific—Marines beat off two attacks near Cape Gloucester, bringing enemy dead since landing to 2400; reveal Solomons-based planes destroyed 242 Jap planes in last month.

STEEL WORKERS OUT

SOUTH SAN FRANCISCO, Jan. 13. — (U.P.) — Approximately 600 workers at Bethlehem Steel company mills walked off their jobs today in a dispute over wages and working conditions, plant officials reported.

Oregon Woman Only Person Still Getting 1812 War Pension

WASHINGTON, Jan. 13.—(AP)—Although almost 129 years have elapsed since the close of the war of 1812, one person, Esther Ann Hill Morgan, of Independence, Ore., still receives a pension on account of services given by a soldier in that war.

She is the daughter of John Hill, a private in the Clark and McCumber companies, New York militia, pensioned under a special act of congress enacted in 1927. The veterans administration annual report today stated Mrs. Morgan is 86 and receives $20 a month.

Welfare League Opens Rat War

The Welfare League sent out a call to all Eugene merchants and firms today to join in the community health project of ridding the city of rats.

A six months' program will cost $3,100, of which the city council has already given $2,000 providing the league is able to raise the remaining $1,100. Mrs. Weir McDonald, chairman of the league committee which brought the rodent problem before the city council and the public, announces that the organization held a special meeting Wednesday night and voted $100 to the fund.

Fifty dollars each has been contributed by Irish & Swartz, Eugene hotel, Seymour's cafe, and McDonald Candy company. This leaves $800 to be raised, and league members will begin immediate solicitation of firms to obtain it. Those who wish to contribute and are not contacted are asked to call Mrs. McDonald at 561-W and a representative will be sent to accept the donation.

Ship Fault Warnings Declared Ignored

SEATTLE, Jan. 13.—(U.P.)—Robert P. Day, former inspector for the U. S. maritime commission at the Henry J. Kaiser Shipbuilding corporation yards, said today that the Truman committee should be investigating defects in "200 Liberty ships, rather than a dozen."

Day, testifying at a preliminary committee hearing conducted by Sen. Mon C. Wallgren (D-Wash), yesterday, said the company ignored "repeated warnings" about structural defects in Liberty ships.

"The Kaiser company made no move to correct causes of failures, but delivered faulty ships to the maritime commission," he said.

Day said he showed a yards inspector where the architect's welding plan had not been followed, but was told to "forget it."

"Let them go. Even if they are bad, what do you care," Day said the inspector told him.

Rep. Warren G. Magnuson (D-Wash., named 12 ships which allegedly cracked in Alaskan waters.

"You should have 200 Liberty ships, rather than a dozen, on your list," Day said.

At the conclusion of Day's testimony, Wallgren announced full-scale hearings by the committee would be held here in February.

Harder Rationing Times Forecast

WASHINGTON, Jan. 13—(U.P.)—The public was on notice today that harder rationing times are around the corner and that they will take the form of point increases for beef and continuation of the 16-point a pound butter value in February.

Prospects for suspension of pork rationing also faded following a statement by Col. Bryan Houston, OPA rationing chief, that taking points off pork would produce "severe shortages" of butter, beef and other basic foods in areas outside the mid-western producing areas.

Court Restrains AP By-Laws Observance

NEW YORK, Jan. 13.—(AP)—A special three-judge federal court today restrained the Associated Press perpetually from observing by-laws which permit members to consider the competitive effect of an application for membership, but declared that the news-gathering cooperative might restrict admission on other grounds.

The judgment reduced to a formal order the court's opinion of last October 6 in the government's civil anti-trust suit filed August 28, 1942.

Either side now has 60 days in which to appeal to the supreme court of the United States and meantime the judgment is stayed.

Crippling Blow Dealt to Nazi Aerial Defense

LONDON, Jan. 13.—(AP)—The flaming battle which a great force of possibly 1200 American bombers and fighters fought over Germany Tuesday with the rocket-firing nazi air force was viewed on both sides of the English channel today as a forerunner of the mighty struggle for air supremacy expected to accompany a land invasion of western Europe.

A dispatch from Stockholm quoted a German military spokesman in Berlin as describing the three-hour air battle as a "rehearsal for the German defense force which will have to meet allied air fleets."

LONDON, Jan. 13.—(U.P.)—The Rome radio said that Anglo-American planes bombed Rome at noon today.

The report lacked immediate confirmation in any allied source. An earlier report from Algiers said allied planes strafed targets in the Rome area yesterday.

The Rome broadcast said the raiders flew over Vatican City and that interceptors "so far" had shot down three planes.

More than 700 heavy bombers and a likely record fighter escort constituted the American aerial task force.

Crippling Blow

The attacks, directed against factories at Oschersleben, Halberstadt and Brunswick (Brauns-weig), all within a radius of 120 miles of Berlin, constituted possibly the most crippling blow of the air war against the nazi air arm.

Results were described officially as excellent. The Americans shot down more than 100 of enemy aircraft.

An eighth air force communique said the resounding assault cost 64 planes, a record loss. Fifty-nine were Flying Fortresses and Liberators and five were fighters.

In addition to the three aircraft centers, the Americans attacked other targets, possibly including Berlin, but the official announcement did not identify them.

Rocket Guns Used

Returning airmen said that ground rocket guns, throwing up explosives "as big as a house," were used by the nazis as well as their rocket firing fighters in a desperate effort to turn the American formations.

At times as many as 28 nazi fighters wheeled into solid formations to attack single Flying Fortresses, peeling off and roaring headon at the big bombers in such desperation that collisions were barely averted.

Casualties for U. S. Pass 139,800 Mark

WASHINGTON, Jan. 13.—(AP)—American casualties since the start of the war now total more than 139,800, the army losses total 105,229 and those of the navy, marine and coast guard 34,523.

Secretary of War Stimson, in reporting the army casualties from the start of the war to December 23, said the figure represented 16,831 killed, 38,916 wounded, 24,067 missing, and 25,415 prisoners of war.

Casualties to American elements of the fifth army in Italy since the start of that campaign in September are 18,119. Of this total 2798 were killed, 11,762 were wounded and 3559 were missing.

The navy-marine-coast guard casualties reported up to today are made up as follows: 15,186 killed, 6616 wounded, 8429 missing, 4292 prisoners of war.

HARRISON NEARLY BECAME A DOCTOR

(W. H. Harrison, 9th U. S. President)

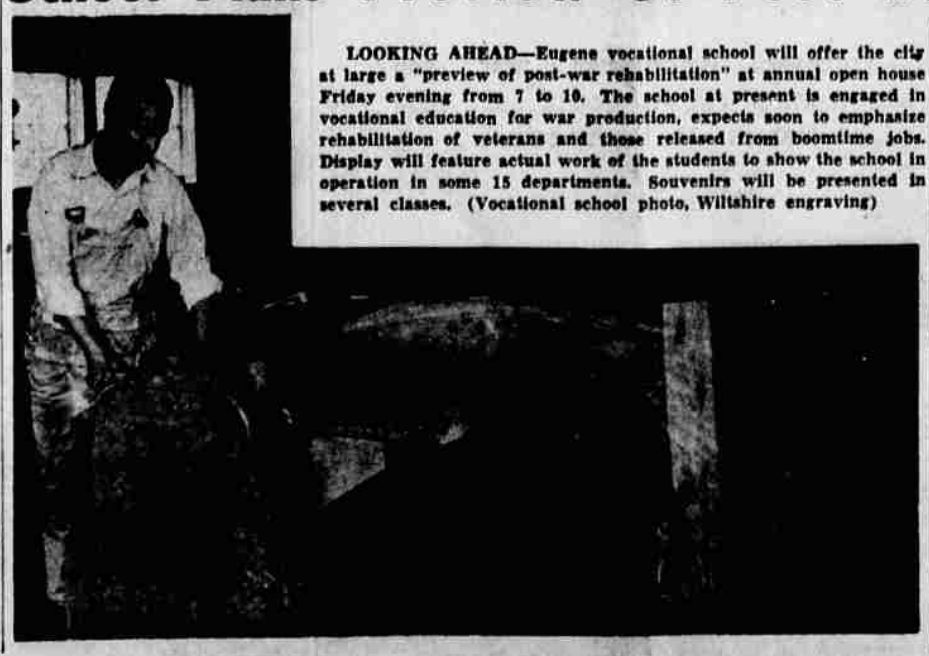
William Henry Harrison started to study medicine, but when his father died he joined the army and embarked on a career that ended in the White House, where he died soon after his inauguration.

Whether you're thinking of your own career or that of your children, make regular War Bond purchases part of the plan.

Register-Guard Want Ads have saved thousands the price of a War Bond by restoring lost articles to them.

Buy Bonds for Your America!

School Plans Preview Of Post-war Training



LOOKING AHEAD—Eugene vocational school will offer the city at large a "preview of post-war rehabilitation" at annual open house Friday evening from 7 to 10. The school at present is engaged in vocational education for war production, expects soon to emphasize rehabilitation of veterans and those released from boomtime jobs. Display will feature actual work of the students to show the school in operation in some 15 departments. Souvenirs will be presented in several classes. (Vocational school photo, Wiltshire engraving)

A preview of post-war rehabilitation facilities, which will be converted after the war from defense production to peacetime training in the trades, will be offered Eugeneans from 7 to 10 p. m. Friday at Eugene vocational school.

Dale Perry, school director, announces that this annual open house will be of vital interest to every person interested in post-war helps for veterans, Although the school has not yet been designated by the government for any large-scale training program for returning soldiers, the equipment and vocational-education system are already well established there and is the type of framework on which such a program can build.

Tours of all departments, Perry predicts, will prove of interest not only to townspeople anxious to see the school in actual production, but to present and prospective high school students who will take part of their classes there under the wartime program.

Departments in operation, open for inspection, will be automotive

SEE SCHOOL STORY PAGE 3