

Today's News

Follow world history in the making from day to day in the columns of The Bulletin. Also read the local news items, some small, some large.

THE BEND BULLETIN

CENTRAL OREGON'S DAILY NEWSPAPER

Weather Forecast

Cloudy tonight and Wednesday. Rain beginning this afternoon west portion. Wednesday, light rain except rain or snow east portion. Cooler Wednesday afternoon.

Volume LIII

THE BEND BULLETIN, BEND, DESCHUTES COUNTY, OREGON, TUESDAY, JAN. 9, 1945

NO. 29

Jittery Tokyo Says Big Task Force Spotted

Second Striking Unit Of 150 Ships Reported In Lingayen Gulf Area

Pearl Harbor, Jan. 9 (UP)—Tokyo broadcasts today reported a second great American task force has arrived in "the Lingayen gulf combat zone" and was maneuvering for a landing, while hundreds of American aircraft—both carrier-based and giant B-29 Superforts—raked Japanese installations on a 1,500-mile arc from Formosa to Tokyo.

The Japanese broadcasts estimated the second American striking force at 150 ships, apparently mostly transports.

The jittery Japanese broadcasts gave a confused picture of the situation on the coasts of Luzon with fleets of American warships and transports steaming back and forth, shelling the shore and apparently feinting at landings at a number of points.

Shift Operations The first invasion armada, according to enemy reports, shifted operations to the Manila area today.

There was no comment from American official sources on the Japanese reports of fleets off Luzon.

However, official announcement was made of fresh aerial blows ranging over Japanese strong points in a wide Pacific arc.

Tokyo Bombed Twenty-first bomber command headquarters at Guam announced that a "substantial" force of Superforts hit Tokyo, striking at industrial targets in their second major assault of the year on the main Jap island of Honshu.

At about the same time 20th bomber command Superforts attacked military installations at Formosa and carrier aircraft from Admiral J. S. McCain's Third fleet fast carrier force smashed at Japanese shipping and installations in and around Formosa, Ishigaka, Miyako and Okinawa.

The Japanese Domei agency said 450 American carrier planes teamed with China-based B-29's in an assault today on Formosa, presumably the second in as many days and the fourth in a week for the carrier forces. Domei said 11 to 15 planes were shot down and eight others damaged.

Fleet Goes North Official American sources announced that carriers of the Third fleet turned north from Luzon following a two-day strike Saturday.

British Columbia In Grip of Strike

Vancouver, B. C., Jan. 9 (UP)—British Columbia's leading war industries faltered today under the impact of a wage strike of street railway workers and bus operators in three of the province's biggest cities.

Picket lines swung into position in Vancouver after the last of the street cars rolled into the barns a few minutes after 4 a. m., leaving many of an estimated 80,000 war workers stranded in Vancouver, Victoria, and New Westminster.

Officials announced that emergency measures were being taken immediately to avert shutdowns in vital aircraft plants and shipyards, ordering issuance of extra gasoline to car owners under agreement to drive workers to their jobs in war plants, hospitals, public utilities and other essential services.

Offer Rejected Meantime, street car workers and bus operators had firmly rejected a last minute street railway company offer of a five and a half cent hourly increase and a plea for a 48 hour stay in the calling of the strike.

Bus drivers and street car operators, estimated at 3,000 were among the first to feel the effect of the strike, having to walk home from the barns after parking their vehicles. Throughout the three affected cities, bakeries and dairies made their own emergency arrangements to pick up their staffs, although delivery problems still were unsolved.

Fearing a shortage of telephone operators due to the transportation shutdown, the British Columbia Telephone company appealed to the public to keep telephone calls to a minimum.

State Legislature Opens With Snell Asking for OLC Study

Organization of Two Houses Is Completed; First Bill Is Introduced and Gets Approval

BY ERIC W. ALLEN, JR. (United Press Staff Correspondent)

Salem, Ore., Jan. 9 (UP)—Oregon's 1945 legislature today rolled up its sleeves and settled down to business with action believed in the offing on Gov. Earl Snell's urgent request for a full-dress investigation of the state liquor control commission.

Organization of the two houses and preliminaries were completed at the initial meetings yesterday, climaxed by the governor's message to a joint session.

In a last minute addition to his speech, Snell said he wanted a "thorough, sweeping and complete audit and investigation" into the Oregon liquor control situation to dispel "certain statements, innuendos, and accusations" that have arisen in connection with the purchase of liquor stocks by the states of Oregon and Washington.

Initial housekeeping chores were completed in the house, as it voted to give itself the copies of the Oregon laws that are furnished to each member, to furnish legal date to committees and to obtain needed equipment.

First Bill Passed The first house bill introduced—that to pay for the expenses of the 1945 session—was passed to its second reading, and in a move just prior to adjournment, Rep. Vernon D. Bull, (D., La Grande) introduced house joint resolution No. 1, which would call for a constitutional amendment to change the legal voting age in Oregon to 18 years.

First senate bill introduced was one that would repeal the community property law in the state, while other bills were in preparation to substitute legislation for some of its provisions.

Recent supreme court action invalidated the income tax return use of the law by married couples.

Both houses adjourned shortly after completion of the governor's speech.

City Development Plans Discussed

Carl A. Johnson, newly elected president of the local chamber of commerce, at today's meeting of the Bend Lions club in the Pine Tavern spoke on industrial development for Bend and urged the united support of every citizen and organization in working with the chamber to make this development possible.

The program, as already worked out, was explained in detail by Johnson. The immediate plan is to raise money for an industrial promotion program. This sum has been placed at \$20,000. One half will be provided by the city and half by business and property owners. The fund will be administered by a committee representing the donors and the city, Johnson said, to interest new industries in coming to Bend.

Development Comes First "The first and foremost program for this year for the Bend chamber of commerce will be the promotion of plans for industrial development of this area," Johnson added.

A committee from the Prineville Lions club, including President Don Taylor, Charles Downey and Elton Mooney, invited the Bend Lions to a Lions party in Prineville on January 27.

Claude Cook, coach, discussed the basketball schedule remaining for the Lava Bears.

State Barber Law Unconstitutional

Salem, Ore., Jan. 9 (UP)—The Oregon supreme court today declared unconstitutional the law permitting a majority of barbers to fix minimum prices for a county.

The act was passed by the 1943 legislature and was appealed by Earl La Forge, a barber of Multnomah county.

La Forge contended the act violated the due process clause of the 14th amendment and unlawfully delegated legislative authority.

Offer Rejected "I have not made in the past, and I shall not now make, any prediction concerning the length of the war. My only prediction is that our enemies will be totally defeated before we lay down our arms."

"We would make a great mistake if, in our military and budgetary planning, we underestimated the task of defeating Japan."

War Costs "The total war program . . .

Billions Sought To Meet Costs Of Global War

Flexible 1946 Budget Is Presented to Congress By President Roosevelt

By Lyle C. Wilson (United Press Staff Correspondent)

Washington, Jan. 9 (UP)—President Roosevelt today presented to congress a flexible 1946 fiscal year budget calling for reduction of expenditures to \$83,760,000,000 and estimating cumulative war authorizations at \$450,000,000,000 for six years.

The 1946 expenditures would be approximately \$17,802,000,000 less than those in the current—1945 fiscal year.

The six year war authorizations figure covers the period from July 1, 1940 to June 30, 1946.

Roosevelt told congress that there was no justification for tax reduction so long as we are engaged in major war. And he framed this budget to meet the eventuality of war in Europe continuing for another 18 months.

Reduction Planned This budget message contained a pre-view of Roosevelt's post-war demobilization and employment plans. They evidently contemplate reduction of annual government expenditures to \$50,000,000,000 through the demobilization period and, ultimately, to \$25,000,000,000 where they would level off.

He said that as demobilization accelerates after the war "there may be 60,000,000 men and women to be employed."

"Manifestly," Roosevelt said, "full employment in peace time can be assured only when the reduction in war demand is approximately offset by additional peace-time demand from the millions of consumers, businesses, farmers, and by federal, state and local governments."

"That means that consumers' expenditures and business investments must increase by about 50 per cent, measured in constant prices, above the level of the year 1939 if full employment is to be provided by private enterprise."

To that end he proposed post-war overhaul of the wartime tax structure to stimulate consumers' demand and promote business investment.

Spending, revenue and deficit estimates were all down in this budget compared with those for the current fiscal year which will end on June 30. The 1946 fiscal year, budgeted today, will run from July 1, 1945, to June 30, 1946.

The public debt is going up to an estimated \$252,000,000,000 on June 30 and to \$292,000,000,000 on June 30, 1946. Roosevelt will ask congress to raise the statutory debt limit, now \$260,000,000,000.

He estimated interest on the public debt alone would cost \$4,500,000,000 in the fiscal year 1946. His calculation of war expenditures for the next fiscal year ranged from less than \$60,000,000 to more than \$80,000,000,000—depending on when or whether Germany is licked in the period covered. He arbitrarily proposed \$70,000,000,000 as a tentative estimate of war spending. Of this amount, \$39,000,000,000 would be spent by the army, \$22,000,000,000 by the navy, and the rest by other government agencies.

Would Cut Expenditures This budget would reduce overall 1946 expenditures by about \$17,802,000,000 from the \$101,562,000,000 being spent in the current fiscal year. These figures include outlays by government corporations as well as the treasury.

The 1946 net deficit would be down approximately \$12,000,000,000 from this year's expected \$53,182,000,000.

Roosevelt estimated net treasury revenue in the 1946 fiscal year at \$41,254,000,000 compared with the 1945 estimated of \$45,729,000,000.

Joe Stenkamp Hurt in Action

Pfc. Joe H. Stenkamp, 19, suffered a broken leg and an injured right arm during action in Belgium on Dec. 21, his parents, Mr. and Mrs. Joe Stenkamp, 54 Sullivan, have learned.

Joe, a Graduate of Bend high school, was employed by Western Union here before entering the service a year and a half ago. He was with an infantry unit when wounded.

Will Call Youths

All men between 18 and 26 who have been deferred for farm work will shortly be called for pre-induction physical examinations, Chairman Donovan said.

Men who have been discharged from military duty, and those with 4-F classifications and who are found engaging in professional sports, also will be promptly reclassified as available for military service, it was said.

Will Call Youths

Germans Believed Pulling Out Of Bulge; Tank Battle Rages

Snow Lined Foxholes Are Cold Comfort



Yank infantrymen hastily dig foxholes into the snow-covered, frozen shoulder of a road somewhere in Belgium as German advance rolls towards them.

Moore Is Named District Attorney

Arthur J. Moore, Bend attorney who for 10 years served as Deschutes county district attorney, today was again appointed to that post by Governor Earl Snell to act pro tem during the absence of District Attorney Robert Foley, now a captain in the signal corps stationed in New Guinea.

Moore succeeds Charles E. Boardman whose term as acting district attorney expired early this month.

The appointment came as a complete surprise to Moore, who said that he had not been in communication with the governor, nor had he any hint that he had been considered for the post.

Moore had been Deschutes district attorney between 1918 and 1928, serving two and a half years.

"This is the first I've heard of it," Moore said when informed that a United Press dispatch from Salem told of his appointment, effective today.

Moore said that he would be unable to accept the position immediately because of several pending civil actions in which he could not legally represent his clients while serving as district attorney.

Moore, a republican, is appointed to fill the vacancy created by Foley's absence in the service, either until the latter returns or until the end of the four year term to which Foley was reelected without opposition at last fall's elections.

When Foley entered the service, Irving D. Brown was named acting district attorney and held the position until he enlisted in the navy late in 1943. Boardman was then named as Brown's successor, taking over the duties of the district attorney on Dec. 15, 1943.

Reconversion

"As long as we are at war—at war against two powerful enemies or against only one of them—we will give unqualified priority to all war production and to all manpower needs of war. Nevertheless, some reconversion of war industries may become possible, dependent on the progress of the war."

Demobilization

"Large-scale demobilization can hardly be expected to begin during the period covered in this budget. Nevertheless, as we continue to mobilize for a long, hard war, we must under no circumstance be caught unprepared for peace."

The Public Debt

(He said it would rise to \$292 billion by June 30, 1946.) "I favor a policy of orderly but steady debt reduction, consistent with the objectives of long-run economy policy."

Taxes

"War-time taxes must be maintained as long as large-scale war expenditures are necessary. There is no justification for tax reductions as long as we are engaged in a major war."

Foreign Aid

"We shall continue to provide lend-lease, and our allies to provide reciprocal lend-lease, to the full extent necessary to win the war. Lend-lease has been and will be liquidated with the end of the war."

Agriculture

" . . . we must develop a program to eliminate malnutrition and rural poverty . . . farmers and the nation as a whole must be protected against heavy fluctuations in agricultural prices and income, and this must be accomplished without the accumulations of unmanageable surpluses."

Bradley Says German Losses May Affect Course of War

Americans Seize More Prisoners Than U. S. Losses to Foe; New Attacks Are Expected

Twelfth Army Group Headquarters, Jan. 9 (UP)—Lt. Gen. Omar N. Bradley said today German losses in the Nazi counteroffensive have been so serious they are likely to affect materially the course of the war on the western front.

Bradley, in his first public statement since the launching of Marshal Karl Von Rundstedt's counteroffensive, said that the number of German prisoners taken since December 16 by the American armies alone is greater than the number of American troops reported captured or missing in action.

Bradley said the Germans are not on the verge of collapse and that "there is considerable fighting ahead."

The allied command, he said, had appreciated the possibility of a German attack through the Ardennes but admitted frankly that "the actual timing of the attack and its strength were somewhat of a surprise."

No Risk Involved Bradley said that the area chosen by Rundstedt for his offensive involved no risk to the allied strategic objectives or to supply lines running up to our fronts.

The terrain, he said, was perfectly suited for regrouping of allied forces which was carried out by Lt. Gen. Courtney Hodges, commander of the American First Army, and Marshal Sir Bernard Montgomery in the north and by Lt. Gen. George S. Patton, of the Third Army in the south.

Thus, said Bradley, Rundstedt was contained "before he could do much damage."

Bradley indicated that Rundstedt's gamble might actually work out to shorten the war instead of to lengthen it.

Bend Mill Gets Federal Timber

The Brooks-Scanlon Lumber Company Inc., today was revealed as the successful bidder for 4,000,000 board feet of timber in the Bull Springs and Tumalo reservoir area, and the company planned to begin logging operations at once, it was reported at the offices of the Deschutes national forest. The timber covers approximately 1,200 acres, and was sold by the government at \$7.50 stumpage rate.

About 80 acres of the newly acquired timber adjoins the present Brooks-Scanlon camp, it was said. The purchase will afford the company about a half month's cut, it was said.

The government sold the timber, according to Charles H. Overbay, assistant Deschutes forester, because of the ravages of insects and the drought conditions.

Portland Ruled By 26 Mayors

Portland, Ore., Jan. 9 (UP)—In theory, Portland has 26 mayors Monday in the absence of Mayor Earl Riley and four other commissioner members of the city council who were in Salem to attend the opening sessions of the state legislature.

City attorney L. E. Latourette explained that each department head in the city government acted without higher authority during absence of the council, although his own office functioned in an advisory capacity when necessary.

Budget Figures

Washington, Jan. 9 (UP)—The budget at a glance: For 1946 fiscal year, which begins July 1, 1945: Total spending—\$83,760,000,000, a drop of \$17,802,000,000 from this year.

War spending—\$70,000,000,000, down \$19,000,000,000 from the current fiscal year but upping authorized war program for six years to \$450,000,000,000.

Income \$41,255,000,000 a cut of \$4,475,000,000.

National debt—\$292,300,000,000 by June 30, 1946.

Debt interest—\$4,500,000,000, higher than all government expenditures for fiscal year 1931.

Taxes—No changes recommended for war period.

U. S. Soldiers Facing Enemy In Deep Snow

Storm Handicaps Units In Slashing at Nazis; Fire of Foe Not Heavy

Paris, Jan. 9 (UP)—American and German tanks were locked in a roaring battle today on the approaches to La Roche, keystone base of the Ardennes salient, and front dispatches reported signs that the Germans might be pulling out of the entire bulge under cover of a delaying action.

A snowstorm enveloped the mighty clash of armor around Samree, three miles northeast of La Roche on the highway to St. Vith, limiting the First Army march southward to gains averaging a third of a mile.

German Withdrawal Allied armor and infantry were reported encountering "remarkably light" artillery and mortar fire, indicating a German general withdrawal from the north side of the bulge toward ridges guarding the one remaining highway out, which already was under the fire of U. S. troops less than four miles away.

There are indications that the Germans are beginning to move out of the Ardennes bulge slowly by fighting a delaying action, and that they may take up positions along a ridge south of Houffalize as soon as they have cleared their armored units from the bulge," a dispatch from Lt. Gen. Courtney H. Hodges First Army headquarters said.

Lt. Gen. Omar N. Bradley, commander of the 12th Army group, warned, however, that the Germans are not on the verge of collapse, although their losses in the Ardennes offensive have been so heavy they are likely to affect the course of the war in the west.

Units Close In While Hodges' armor battled the German tanks three miles northeast of La Roche, other

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Miami-to-Africa Clipper Crashes

Miami, Fla., Jan. 9 (UP)—Pan American Airways reported today that a death toll of 23 was indicated in the crash of the 10-year-old China Clipper which plunged into the sea at Port of Spain, Trinidad, last night while enroute from Miami to Africa.

Navy divers sought 75 of the passengers and crew members believed trapped in the sunken wreckage of the huge flying boat. Seven were known to have been saved and eight bodies recovered of the 30 persons aboard.

W. O. Snyder, manager of Pan American here, said latest reports "indicate that 23 of 30 persons aboard the plane were lost."

The clipper left Miami at 6:30 a. m. yesterday on a regularly scheduled flight to Leopoldville, Belgian Congo. The ship arrived at Port Au Spain, Trinidad, about 9:30 EWT last night.

The crash followed an attempted landing, it was believed here. Trinidad was a regularly scheduled stop on the run inaugurated last Sept. 30.

The plane was reportedly carrying a double crew, 12 men. The two crew members killed were Capt. L. W. Cramer, and Radio Operator T. J. Fleming, both of Miami.

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