

FRAUD ARTIST IS WILLING TO PLEAD GUILTY

Leo Koretz Admits He Was
Wrong, and Wants To
Be Punished

Declares He Will Enter His
Plea of Guilty When
Arraigned.

CHICAGO, Dec. 2.—Leo Koretz, promoter of fake oil schemes, in which relatives and friends invested \$2,000,000, brought back yesterday from Halifax, N. S., to face his victims, wants "to get it over with as soon as possible."

"I have done wrong. I want to be punished. I am going to plead guilty and take my punishment," he was quoted as saying after he had made what state's attorneys said was a clean breast of his operations, extending over 18 years.

Four indictments, three charging defalcations of \$4,000 each and the fourth \$38,000, through the operation of a confidence game, have been returned against Koretz. Each carries a penalty of from one to 14 years in prison.

PRESIDENT GIVES ANNUAL MESSAGE ON BUDGET PLAN

(Continued from page one)

naval construction of major units. We are concerned primarily with maintaining adequate preparedness. We should have adequate preparedness in 1926 within the limits of the amount recommended.

Defense Problem Industrial
"Aside from the important factor of training personnel our national defense is largely an industrial problem. Today the outstanding weakness in the industrial situation is the inadequacy of facilities to supply air service needs. The airplane industry in this country at the present time is dependent almost entirely upon government business. To strengthen this industry is to strengthen our national defense. For the air service of the army and navy and the air mail service the estimates, including contract authorizations amount to \$38,945,000. This contemplates an expenditure with the industries of \$10,287,000 for the procurement of air planes, engines and accessories. The remaining \$28,658,000 is for maintenance, operation, experimentation and research. The amount of \$38,945,000, however, does not include all that will be available for this service in 1926. Amounts contributing to the air service carried in other estimates and usable war supplies will make a total availability conservatively estimated at \$65,000,000.

"The amount requested for national defense includes \$50,118,000 for the army and navy reserves, national guard, citizens military training camps and other civilian training activities. **Navy Construction Provided**
"There is also included in the national defense estimates \$7,444,000 for increase of the navy. This will provide for continuing work on the fleet submarines under construction and for beginning work on two of the four remaining fleet submarines authorized in the 1916 program. With regard to the navy estimates, legislation is now pending which provides for additional vessels, including gunboats for use on the Yangtze river. Further estimates for increase in the navy are dependent upon the enactment of this legislation. It will also be necessary to request of congress legislation increasing the authorized cost of the two airplane carriers now under construction. If this be granted, it will require funds for the next fiscal year not provided in the estimates contained in this budget.

"It is estimated that \$6,541,500 will be needed to complete dam No. 2 at Muscle Shoals. Of this amount, \$3,501,200 will be required this year. This will be covered by a supplemental estimate for 1925. The balance, \$3,040,300 is provided for in these estimates.

"There is included in these estimates \$50,000,000 to be set aside in the adjusted service certificate fund established under the world war adjusted compensation act of May 19, 1924. This is for the second payment to the fund to be made January 1, 1926. For the first payment, due January 1, 1925, \$100,000,000 is included in the deficiency bill now under consideration by congress. The applications from veterans so far have been below the estimated number which the records indicate as entitled to the benefits of the act.

"If the two appropriations recommended there will be a sufficient amount in the fund on January 1, 1926, to meet the demands of the act. Should the number of applications increase beyond what present experience indicate as probable, there will be ample time to submit a supplemental estimate for the additional amount necessary before that date.

Federal Aid
"For federal aid to states, the estimates provide in excess of \$100,000,000. These subsidies are prescribed by law. I am convinced that the broadening in this field of activity is detrimental both to the federal and state governments. Efficiency of state governments is impaired as they relinquish and turn over to the federal government responsibilities which are rightfully theirs. I am opposed to any expansion of subsidies. My conviction is they can be curtailed with benefit to both the federal and state governments.

"For reclamation purposes I am recommended \$9,777,257 for 1926. It is

highly desirable that the congress, as a basis for this and future reclamation expenditures, enact the legislation embodying new reclamation policies proposed in H. R. 9611, sixty-eighth congress, first session.

Public Debt Reduced

"The gross public debt was reduced \$1,098,894,375 during the fiscal year ended June 30, 1924, and stood at \$21,250,812,989 on the latter date. This reduction was accomplished through: (1) the application of the sinking fund and other public debt requirements required to be made from ordinary receipts, aggregating \$457,900,750; (2) a reduction in the general fund balance of \$135,527,639; and (3) the use of the entire surplus of \$365,366,986. The annual interest charges on the debt represented by this reduction are equivalent to over \$45,000,000.

"The total reduction in the debt since the high point of \$26,594,000,000 on August 31, 1919, amounted to \$5,343,000,000 at the close of the last fiscal year. This total reduction has effected a saving in interest amounting to approximately \$225,000,000 annually, a saving which equals nearly one third of the total annual pre-war expenditure of the government.

"The fixed debt charges are included in the regular budget of the government under a definite plan worked out soon after the close of the war for the gradual retirement of the public debt, and must be met before the budget can balance. The most important of these fixed debt charges is the cumulative sinking fund provided in the Victory Liberty loan act. Retirements through this fund during the past fiscal year were about \$290,000,000.

Securities Retirement

The next items in size among the fixed debt charges are the retirements of securities received from foreign governments under debt settlements and the purchases and retirements of securities for foreign repayments. These continuing reductions of the public debt have a very material effect in maintaining the high prices for liberty bonds. They permit the issuance of new government securities for temporary and for refunding purposes at low interest rates, with consequent further economy in government expenditures. Interest paid in the fiscal year 1924 amounted to \$940,000,000. It is estimated that this item will be \$895,000,000 in 1925 and \$830,000,000 in 1926. This saving of \$110,000,000 in two years is the result of the reduction in the amount of the debt and decrease in the average rate of interest paid. The sinking fund is a part of the contract between the United States and the holder of the United States' obligation, and, therefore, cannot in good faith be exchanged. The continual steady effect of these debt reduction factors is to cut down the largest single item of government expenditure and permit further reductions in the burden of taxation.

"During the last session of congress a bill was introduced authorizing a yearly appropriation of not exceeding \$10,000,000 for a progressive building program in the District of Columbia. This bill has my endorsement. I earnestly recommend its enactment by congress.

Agricultural Commission

"I have recently appointed a commission to investigate agricultural conditions. The purposes of this was to determine what action through legislation or otherwise, should be taken to place agriculture on a basis of economic equality with other industries. The findings and recommendations of the commission are for the use of the congress. I mention this commission here for the reason that I will shortly submit to the congress an estimate of appropriation to meet the expenses of the commission.

"We are now in the fourth year of our campaign for reduction in the cost of government. Our aim is to reduce the burden of taxes. In this we have been successful. For these things which we are now required to do we are fast reducing our expenditures to a minimum consistent with efficient service. We have before us an estimated surplus of \$67,000,000 for the current fiscal year and \$373,000,000 for the next fiscal year. Shall we embark upon new projects involving expenditures which will prevent the accumulation of these expected surpluses, or shall we continue the campaign for economy? I am for economy. If we continue the campaign for economy, we will pave the way for further reduction in taxes. This reduction can not be effected immediately. Before it is undertaken we should know more definitely by actual operation what our revenues will be under our present tax law. But the knowledge of our revenue under the existing law will avail us nothing if we embark upon any new large expenditure program."

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1926 BUDGET OF NATION IS GIVEN TO CONGRESSMEN

(Continued from page one)

tion in the interior department total was due to the smaller allotment for the pension bureau. That bureau's outlay was cut from \$224,610,000 for the current year, to \$199,110,000 for next year, largely because of the decreasing pension roll resulting from the death of pensioners.

The cut of \$25,500,000 in the navy's total was scattered over many items of expenditure, but a large part of it was due to a reduction of the fund set aside under the heading of "increase of the navy." It is understood supplemental estimates for needed construction will go to congress later. The budget director's report to the president declared that under the total allowed the navy can continue at its present enlisted strength of 86,000; the marine corps will have provision for 18,000 men instead of the present 19,500; the naval reserve forces will continue on practically the present basis; it will be possible to increase the average steaming range of battleships from 19,400 miles to 23,700; two more of the submarines authorized in 1916 can be laid down; new aircraft can be purchased; and it will be possible to continue work "at a normal rate of speed on all new ships under construction within the limitation of authorized cost."

War Allowance Cut

There were scattered reductions totaling \$8,600,000 in the war department's allowance, but no particular branch of the military service was singled out for reduced appropriations. Under the total authorized, the budget bureau declared, the regular army can continue on its present basis of 12,000 officers and an average enlisted strength of 118,000; the number of reserve officers who can be trained will remain about the same; attendance at the citizens' training camps must be limited to 29,000 instead of 33,900 in the current year, and the militia bureau will be able to maintain an average strength of 173,000, a reduction of 3500, from the present authorization. The air service allotment was increased from \$14,900,000 for the current year to \$17,000,000 during the coming year.

There were various comparatively small increases in other activities of the department. More than half of the \$2,288,000 increase in the allowance for the justice department was accounted for by a decision to more than triple the amount set aside "for the investigation and prosecution of war frauds." The war frauds item in the budget for the present year amounted to but \$500,000, but in the new budget it

year to "enable the air service to make reasonable progress toward cutting down its warrant shortage by heavier than air craft and at the same time assist in keeping alive the aircraft industry for use in time of emergency."

Rivers, Harbors Same

The total fixed for rivers and harbors improvement—\$59,277,900—is practically the same as the present year.

It was in the veterans' bureau estimate that the budget director made his biggest cut under the figures submitted a year ago. A net total of \$76,000,000 was dropped off, in spite of increases in some departments of the bureau's activities. The factors which more than offset these increases included a drop from \$80,000,000 to \$38,000,000 for vocational rehabilitation, due to the decreasing necessity for giving vocational training to men wounded in the war; a reduction from \$127,500,000 set aside a year ago for possible use in bonus payments, to \$62,000,000 which the budget director estimated would be sufficient to carry the payments through next year if applications continue to come in at their present slow rate; and a \$7,000,000 reduction in the amount set aside for hospital construction. The treasury department's reduction of \$10,000,000 under the total for the present year was largely accounted for by the fact that tax refunds amounting to \$16,140,000, resulting from the 25 per cent reduction voted by congress at the last session, were included in the expenditures of the current year and no like item was necessary in the new budget. The coast guard allotment was increased by \$1,650,000, as a part of the drive against rum runners, while the total given the customs service was cut \$712,000—a reduction declared by the budget director to be due to decreased activities and an estimated falling off in refunds.

Shipping Board Cut

Included in the factors contributing to the shipping board's reduction of \$9,000,000 were enumerated improved methods of operation, together with the consolidation, curtailment and reduction in the number of trade routes, and an improvement in freight rates.

The budget bureau informed the president in its report that the net increase of \$62,000,000 in the amount set aside for the agriculture department was "due primarily to an increase from \$13,000,000 to \$80,000,000 for the construction of rural post roads."

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is \$1,725,000. The amount set aside for enforcement of anti-trust laws was increased from \$203,930 to \$228,000.

A net increase of \$23,000,000 also was shown for the postoffice department but the whole expenditure of that department is expected to be returned to the treasury along with a surplus as a result of postal revenues. In theory the postal service always is regarded in the budget as self-supporting, although it has not always been so in fact. The budget bureau declared revenues for the fiscal year 1926 had been conservatively estimated at \$647,410,000, while the amount to be advanced to the department for expenses is only \$637,376,005. Should these expectations be borne out, a postal surplus of more than \$10,000,000 would be turned back into the treasury.

TODAY

(Continued from page one)

education, rank, money, thousands of acres, and seat in the House of Lords, to make England better?

He lived and died "master of fox hounds." Servants bred the hounds. Tenants "walked the popples." Grooms broke, blined, exercised and cleaned the hunters. His grace put on his pink coat, road, and pretended to "bunt" his hounds, while the whips really managed them. That is a modern duke for you. And we have some imitations of them here. They won't last.

Republican senators have voted "out of the republican party." Senators LaFollette, Brookhart, Ladd and Frazier. They will not be admitted to regular conferences or named to fill any committee vacancies that may occur.

That is all good advertising for the four ostracized.

The synagogue in Holland excommunicated Spinoza, with most terrible maledictions, declaring that his name must never again be mentioned by anybody. The big men of the synagogue are remembered only because they signed that foolish, futile document. The four senators will be important in politics, when a majority of those that seek to ostracize them are forgotten.

Eldridge, a British automobile racer has broken all records in France by driving his car ten miles, at an average speed of 121 miles an hour.

When will railroads utilize the lightness, speed and economy of the gas engine, break up their long heavy suburban trains now stopping everywhere and send out passengers and trains in sections, those for the more distant points starting first, and all on a non-stop basis?

HEILIG

ONE
PERFORMANCE
ONLY
8:15 P. M., Doors
Open 7:45

TONIGHT
ONLY!

The

Forest Taylor Players

offer their dramatic success

"The Other Man's Wife"

A very capable company with an all star cast including

DAVE SWANSON

Graduate Dramatics, U. of O.

REMEMBER—TONIGHT ONLY

These prices by special arrangement

ONE PRICE—50c—ANY SEAT

New Bank Directors Of Portland Named

PORTLAND, Ore., Dec. 2.—Three new directors of Ladd and Tilton bank were elected here, following the resignation a week ago of Isaac D. Hunt, Cameron Squires and Raymond Wilcox. The new directors are Walter M. Cook, a vice-president of the bank; Frederick H. Strong, manager of the Ladd Estate company, and Prescott W. Cookingham the bank's attorney.

The places of Hunt and Squires as vice-presidents will remain unfilled until after the annual meeting the second Thursday in January.

President Confers With Senate Group

WASHINGTON, Dec. 2.—Legislation was discussed informally by President Coolidge at a breakfast conference today with a group of republican senators. Senators present included Capper, Kansas; Phipps, Colorado; Odell, Nevada; Harrell, Oklahoma; McNary, Oregon, and Gooding, Idaho.

EARTHQUAKES CONTINUE
BATAVIA, Java, Dec. 2.—Further earthquake shocks have occurred at Wonosobo. Three persons were killed.

A RELIABLE COUGH REMEDY
Why experiment with other remedies for that cough or cold? You can secure FOLEY'S BALM AND TAR COMPOUND. It is a reliable remedy for the most stubborn coughs, colds, hoarseness, etc. Beneficial for young and old. Anna Cornell, Bridgeton, N. J., states: "I bought FOLEY'S BALM AND TAR COMPOUND for my child and it cured him. I insist upon genuine. Refuse substitutes."—Paid Advertisement.

DANCE
Harrisburg, M. W. A. ball on Friday night. Good music. Paid advertisement.



FALSE TEETH \$15.00 PER PLATE

\$25 Buys the best Rubber Plate with gold pin teeth. Any color or kind of rubber you wish. Painless Extraction of Teeth Guaranteed.

When you think of teeth, think of DR. S. T. DONOHUE, Manager Peerless Dentists, Cor. 7th and Willamette Sts., Phone 441-J.



"GHOST BETWEEN" Is Comedy-Drama With Laughter, Tears And "Punch"

Vincent Lawrence's much-discussed Broadway hit, "The Ghost Between," will be given here by the Carlysle Players in the near future. "The Ghost Between" created quite a furor in New York where it enjoyed a run of many months at the Thirty-ninth Street theatre a few seasons ago. It is a wholesome love story and a comedy drama with a real punch. The play is full of irresistible comedy, but there are tears as well as laughter. "The Ghost Between" gives a new and funny twist to an old and serious theme. It is a swift-moving, clean, down-to-earth story which will get right under your skin because it is human.

HEILIG THEATRE
Wednesday Evening, Dec. 3rd
All seats reserved. Entire lower floor \$1.00
Balcon 75c. Box office opens Tuesday at 10 a. m.



GULBRANSEN Demonstration Week

WE HAVE a surprise for you. We have an instrument played by music roll and pedals, on which you can register your personal touch on the keys, just as you would in hand-playing. We have an instrument on which you can accent the melody and subdue the accompaniment.

Or you can use any ordinary song roll and play the accompaniment only, without playing the melody notes at all! You can play any regular player roll in seven different keys! The instrument that will do these things is the Gulbransen Registering Piano, of which we are making a special demonstration this week.

Come in—we want to show you this latest achievement in the music world—the famous Gulbransen about which you have read in the Saturday Evening Post, The Literary Digest and the American Magazine. Don't hesitate—come in today!



Try Gulbransen pedalling. So effortless that a baby pushing down the pedals gave the idea for the Gulbransen Trade-mark.

Four Gulbransen Instruction rolls furnished with every Gulbransen. These are exclusive with Gulbransen—highly interesting and simple to master. They teach, in a few evenings' time, the basis of correct playing.

Nationally Advertised. The Gulbransen is regularly advertised in The Saturday Evening Post, The American Magazine and The Literary Digest—an additional guaranty of its high standing in the commercial world.

"We advertise the four models of the Gulbransen at the four nationally established cash prices. The Community model is \$450. The Suburban model is \$550. The Country model is \$615. The White House model is \$700. Generous terms may be arranged, interest being charged on deferred payments. Naturally the more expensive models are better. But the most inexpensive model made, the Community at \$450, is a splendidly built, dependable instrument that we are proud to put in any home.

If you want a good, dependable instrument that you can play by a simple master, and let us show you the GULBRANSEN. Compare before you decide.

This store features the "Easy to Play" Gulbransen Registering Piano because we know our Gulbransen customers are the most satisfied customers we have. Not only is the Gulbransen mechanically satisfactory, but it's also a musical achievement and inspiration. When you become a Gulbransen owner we will want you in every way to get the fullest possibilities out of your Gulbransen. Make use of our rating and service departments. Remember that your present piano, if you have one, ought to be tuned at least twice a year.

\$25
First Payment
on your
GULBRANSEN

The Melody Indicator is a patented and exclusive Gulbransen feature. It shows at a glance whether notes are in bass or treble, so you will know where to accent them. Play any roll. Even the finest electric reproducing player rolls may be played on your Gulbransen. You are not restricted in your choice of rolls. Singers, note this. In playing song rolls you can play any ordinary song roll as an accompaniment—eliminating the melody entirely. This is possible only on the Gulbransen Registering Piano.

\$295
buys a Gulbransen Upright Piano playable by hand. Other models of Gulbransen Upright Pianos are \$350 and \$440.

\$450
buys a Gulbransen Registering Piano, playable by hand or pedals. Other models of Gulbransen Registering Pianos are \$530, \$615 and \$700.

\$770
buys a Gulbransen Reproducing Piano, playable by hand, by pedals or electrically. Other models of Gulbransen Reproducing Pianos are \$855 and \$940.

All of the above prices are the cash prices branded in the back of each instrument at the factory for your protection. We also have a liberal deferred payment plan on which you can buy a Gulbransen for a small initial payment and convenient monthly installments. Ask us about this if you don't want to pay all cash.

MAIL THIS
and we will tell you on what easy terms you can buy a Gulbransen.
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968 Willamette Street
Opposite Rex Theatre