

The Weather
Forecast: Occasional rain tonight and Wednesday, little change in temperature.
Temperature
Highest yesterday 60
Lowest this morning 40
To 5 p. m. yesterday 61
To 5 a. m. today 60

Fast Workers
Start the New Year right. Depend more on Want Ads. to help you. These little Ads. are fast workers and do produce splendid results. The cost is surprisingly low.

MAIL SEIZURES CAUSE U. S. PROTEST



Washington, D. C., Jan. 2.—Sources close to the president give the tip that Franklin Delano Roosevelt has cut the budget so ruthlessly that every section of Oregon, Washington and California will utter screams of protest and demand that the senators and representatives of the Pacific Coast restore the cuts. The full extent of the drastic action of the president will become known within a few hours — when the budget becomes public property. Advocates of government ownership of power, reclamation, harbor improvements, are on the verge of a severe shock.

FROM an authoritative source these scattering highlights of what can be expected have been obtained:

Request of Paul J. Raver, administrator of Bonneville, has been slashed almost to the bone with the complete ten units of generating plants. No more generators are allowed and the project in the Columbia river will have to worry along with six units. Bonneville's estimate has been reduced some \$4,000,000. This also cramps the proposed expansion of the transmission system; may result in a reduction of the personnel if not a cut in salaries.

Grand Coulee has received a cut even deeper than the slice taken from Bonneville. The Shasta unit, just south of the Oregon line, part of the Central Valley Project, is being budgeted for barely enough to carry on the construction leisurely.

WILLAMETTE Valley Project will be lucky to find \$1,500,000 in the budget, which is quite a drop from the some ten million dollars it has for the fiscal year of 1940. President Roosevelt's action will definitely delay the completion of this project, as it will also delay

RAINS CAUSE NEW HAVOC IN TURKEY

Ankara, Jan. 2.—(P)—Torrential rains caused new havoc in earthquake-stricken Turkey today, swelling flood waters which were believed already to have caused at least 1,200 deaths. Whole villages of the Bursa region in Western Turkey were reported swept up by the torrents and carried into the Sea of Marmara.

Some new quakes were felt in the northeastern region which suffered devastation last week, but because of shattered communication lines it was impossible to determine whether there had been new damage.

Belgians Fire On Foreign Aircraft
London, Jan. 2.—(P)—A Reuters (British news agency) dispatch from Brussels said foreign aircraft flew over Belgium today, drawing fire from anti-aircraft guns. Belgian fighter planes went out to intercept them.

SIDE GLANCES
by TRIBUNE REPORTERS

Mrs. "Stevie" Stevens surprised at finding a stranger at the wheel when she climbed into the wrong coupe.

Al (Tollie) Tollefson gleefully counting up the fruits of his football wagers.

Mary Griner Kelly coming out of winter hibernation long enough to greet a few old friends, she blaming the influenza for her hermit tendencies.

ENGLAND IS TOLD ACTION VIOLATES PACT AT HAGUE

Firm Stand Taken Against Interference With Mail On Ships—Cases Cited.

Washington, Jan. 2.—(P)—The United States formally protested to the British government today against Britain's seizure of mail from the United States destined to Germany.

This government, a note to Britain said, "cannot admit the right of the British authorities to interfere with American mails on American or other neutral ships on the high seas nor can it admit the right of the British government to censor mail on ships which have involuntarily entered British ports."

The state department cited four specific cases of British authorities taking around 1,250 sacks of mail and parcel post from American and other neutral ships.

The United States note, delivered to the British foreign office by the American embassy in London, stated that with regard to mail to or from Britain "this government readily admits the right of the British government to censor private mails originating in or destined to the United Kingdom, or private mails which normally pass through the United Kingdom for transmission to their final destination."

But with regard to other mails the Hague convention was cited as recognizing "that postal correspondence of neutrals or belligerents is inviolable of the high seas." The state department

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BRITAIN CALLS UP 2 MILLION MORE

London, Jan. 2.—(P)—A proclamation by King George VI calling about 2,000,000 more Britons to the colors gives the British a potential army of at least 3,500,000 men.

It is expected all will be in service by the end of the year. The king's proclamation, which he signed last night after a hurried return from a holiday at Sandringham, requires that all male Britons between 19 and 27 years old register for service.

Previous conscription orders affected only men 20, 21 and 22 years old—a total of 1,500,000 men under arms or technically mobilized.

ORDER ENLARGING OF OLYMPIC PARK

Washington, Jan. 2.—(P)—President Roosevelt signed a proclamation today enlarging the area of the Olympic national park in Washington.

He announced the action at a press conference, adding that under an act of congress permitting extension of the park area about 50,000 more acres could be taken in eventually, in addition to the area covered in the proclamation.

Eugene Paper Is Damaged By Fire

Eugene, Jan. 2.—(P)—A costly fire in the back shop brought heavy damages to the Eugene Daily News plant this morning. Officials have not yet announced the extent of the damages, but it is expected the paper will print its next few editions on other presses in the city.

Firemen said flames were thought to have started in a trash pile in the press room.

Bridges Happy Over Ruling



Expression on the face of Harry Bridges, west coast C. I. O. leader, reflects his delight as he reads congratulatory telegrams in his San Francisco office following a report by Dean James M. Landis that Bridges is not a Communist. If ruling is accepted by labor department, a warrant for Bridges' deportation probably will be canceled.

British Attitude Will Guide Germany in Finnish Conflict

Berlin, Jan. 2.—(P)—Germany, according to authoritative sources, is keeping a close watch on what kind of aid Britain gives Finland.

Germany desires to stay out of the Russian-Finnish conflict, these sources indicated today, and understands the Soviet Union wishes to settle scores with Finland alone.

If British soldiers were to appear on Finnish soil, however, or if munitions deliveries from Britain were to reach decisive proportions, there seems little doubt Germany would support Russia actively.

(Britain yesterday informed the League of Nations that she would give Finland all assistance possible, as the league had suggested when expelling Russia from league membership.)

Prime Minister Chamberlain told parliament December 15 that "in addition to air supplies to Finland, the government intends similarly to release other materials which will be of assistance to the Finnish government."

MARRIAGE LICENSE DROP SEEN IN 1939

Marriage licenses in Jackson county, with a total 206 issued in 1939, declined more than 50 per cent compared with 1938, when 441 were issued by the county clerk's office. The Oregon marriage-medical examination law went into effect a year ago last December 8, and the drop was attributed to the legislation.

The past year was the first in six years that Dan Cupid's marksmanship failed to pass the 400 mark; 1937 was high with a total of 521 licenses, 1936 was next with 483, 1935 had 445, and 1934 registered 426.

Another depression area was moving shoreward from the Hawaii area and might reach this state late tomorrow or Thursday, the weather bureau reported.

Reputedly apparently was the wettest spot, with 2.67 inches recorded in 24 hours ending at 4:30 a. m. today.

Survey Storm Bowl
Washington, Jan. 2.—(P)—Secretary Hopkins told congress today the United States coast and geodetic survey had made excellent progress in surveying the mixing bowl for waters in the uncharted waters around the Aleutian islands and along the Alaskan coast.

First Lady Held Lax In Allegiance Pledge
Portland, Jan. 2.—(P)—Mrs. Franklin D. Roosevelt was criticized yesterday by Mrs. Lee Davenport of the Portland chapter of the Daughters of the American Revolution for failing to give the complete pledge of allegiance in a radio broadcast Sunday.

Mrs. Roosevelt said "I pledge allegiance to the flag of the United States * * * and Mrs. Davenport says the correct pledge includes the words "of America."

Finns Take Russian Army Base

CONGRESS CHIEFS AND F. R. DISCUSS SESSION PROGRAM

Signs of Battle Cloud Hopes For Short, Harmonious Law-Making Session.

Washington, Jan. 2.—(P)—President Roosevelt greeted congressional leaders at a White House conference today by singing "Happy New Year to you."

Speaker Bankhead made that revelation in replying to a reporter's question as to whether he had observed the greeting between Mr. Roosevelt and Vice President Garner.

"I never saw a more affectionate, brotherly greeting in my life," said Bankhead. "My feeling is that the president and vice president are on very affectionate terms."

"Happy New Year"

Washington, Jan. 2.—(P)—President Roosevelt and legislative leaders—among them Vice-president Garner—canvassed the possibilities of a short, harmonious congressional session today amid signs that more controversy than they hoped for might be in the offing.

Garner, Speaker Bankhead, and Senator Barkley and Rep. Rayburn, the senate and house Democratic leaders, filed into the chief executive's office shortly after noon to go over plans for tomorrow's opening session, at which Mr. Roosevelt will deliver his annual message.

Message Discussed
The conference brought about the first meeting between the president and vice-president since the latter announced his candidacy for the Democratic presidential nomination, which friends say he will seek regardless of whether Mr. Roosevelt stands for a third term.

Upon conclusion of the meeting Barkley told reporters the chief executive had gone over the major points of his annual message, but neither he nor the other conferees would give any clue to its contents.

The message is still to be completed and aside from the legislative meeting and a late afternoon press conference Mr. Roosevelt reserved his day for work on it. An aide indicated it might not be finished until midnight.

Budget Message Early
The budget message which was originally scheduled to be sent to congress Thursday is almost finished, Barkley said in final arrangements for its submission had been made but he looked for it "probably Friday" instead of Thursday.

As for the legislative program, Barkley said the senate's schedule had not been worked out.

The president and his associates have been represented as desiring a brief session that could wind up before the summer political conventions.

Against this plan, however, is balanced the desire of many legislators to obtain action on pet measures and the projected vigorous battles over the reciprocal trade program and fiscal legislation.

Senator Connally (D., Tex.), a member of the finance committee, raised another important controversy with a statement he would reoffer his proposal to require the government to match state grants to the needy aged on the basis of \$2-to-\$1 up to a maximum aggregate of \$15 a month.

Bank Chartered
Salem, Jan. 2.—(P)—Charter of a new state bank at Springfield, which opened its doors today, was granted today by State Superintendent of Banks Arthur A. Rogers. The bank has a paid-up capital of \$25,000 and a surplus of \$6,250.

POWERS OF NLRB BACKED BY RULING FROM HIGH COURT

American Federation of Labor Defeated in Opinion On Union Certification.

Washington, Jan. 2.—(P)—The supreme court upheld broad powers claimed by the national labor board today by ruling that a federal court of appeals does not have the right to pass on the board's certification of a CIO union as the exclusive collective bargaining agency for all Pacific coast longshoremen.

This opinion, a defeat for the American Federation of Labor, sustained a decision by the United States court of appeals for the District of Columbia that it could not review the board's action in lumping all west coast longshoremen in the voting unit.

Election Power
The federation has contended the longshoremen of each individual employer should be permitted to determine their collective bargaining representative.

In two other decisions, the court also upheld the contention of the labor relations board that it had the power to direct elections to determine collective bargaining representation without interference by the federal circuit courts.

One of the decisions sustained a board order placing the name of only one labor organization (a C.I.O. affiliate) on a ballot for a run off election to determine collective bargaining representation for employees of the Consumers Power company of Jackson, Mich.

The other sustained a board order directing the complete disestablishment of an independent union of employees of the Falk corporation of Milwaukee.

Unanimous Decisions
All three decisions were unanimous.

Justice Stone delivered the opinions in the longshoremen and consumers power cases. Justice Black delivered the third opinion, in which it was announced Justice McReynolds had not participated.

"The conclusion is unavoidable," Justice Stone said in the longshoremen opinion, "that congress, as the result of a deliberate choice of conflicting policies, has excluded representation certifications of the board from the review by federal appellate courts authorized by the Wagner act except in the circumstances specified in section 9 (D) of the act."

Japan Loses 1,464,000 Men In Effort to Conquer China

Chungking, Jan. 2.—(P)—A Chinese army spokesman asserted today that Japan's losses in two and a half years of war totaled 1,464,000 men, but added that only 40 per cent—585,760—were killed or wounded.

The remainder, he said, had died of disease or been incapacitated by illness or other causes.

The best neutral estimates have put Japanese killed and wounded at not more than two-thirds of the spokesman's figures.

(The Japanese assert that 1,218,462 Chinese soldiers were killed between July, 1937, and November, 1939. For the same period they put their own losses in action at approximately 70,000. A considerable number of Japanese troops are known to have been rendered unfit

First 1940 Baby Born In Medford 12:52 a. m. Today

"Little Miss 1940," the first baby to be born in Medford this year, made her debut to the world this morning at 12:52 in the Sacred Heart hospital. She weighs six pounds, 12 ounces and her parents are Mr. and Mrs. Orland Johnson of Beagle. The tiny one has not been officially named by her parents as yet.

She is the sixth child to be born to the Johnsons. A check of local hospitals today revealed no other babies for this year.

SENTENCE LEPKE TO 14 YEARS FOR DRUG SMUGGLING

New York, Jan. 2.—(P)—Louis (Lepke) Buchalter, racketeer, was sentenced today to 14 years in prison for violation of the federal narcotics laws.

Lepke was convicted December 20 on an indictment charging conspiracy to violate the laws in the operation of what the government called a \$10,000,000 international narcotics-smuggling syndicate.

Brought before Judge John C. Knox for sentencing today he pleaded guilty to nine additional indictments relating to transportation and concealment of narcotics.

Lepke, object of a nationwide search last summer with rewards totaling \$50,000 on his head, surrendered quietly August 25 to FBI Director J. Edgar Hoover.

During his trial the government attempted to show he controlled an international syndicate which smuggled narcotics into the United States illegally from France, Japan, China and other countries in 1935, 1936 and 1937. The government charged he collected 50 per cent of the profits.

District Attorney Thomas E. Dewey estimated Lepke's racket had netted him \$5,000,000 in extortion money alone.

Strike Still On At Frisco Docks

San Francisco, Jan. 2.—(P)—A session of union and employer negotiators in the current San Francisco dock dispute apparently brought few encouraging developments today, and ended with an employer spokesman commenting "the strike is still on."

The dispute, which has tied up most shipping since November 10, evidently had been nearing settlement as a result of meetings late last week.

DEFENDERS SCORE NEW SUCCESSES IN EASTERN SECTORS

Guns, Clothing Among Spoils Of War Taken at Base—7 Red Planes Shot Down.

Helmski, Jan. 2.—(P)—The capture of a Russian Army base and the smashing of an all-day tank-supported red army attack at two points on the eastern front were reported today by the Finnish army communique.

The Russia base at Aittajoki "passed from hand to hand during the day" before the Finns finally took it, the communique said, adding that three machine guns, a field kitchen and 400 overcoats fell into their hands.

Near Lake Lajavjarvi the Russians were said to have attacked the whole day with tanks supporting the infantry only to be repulsed with the loss of a tank.

Gains At Ladoga
Gains northeast of Lake Ladoga and in the Suomussalmi region, scene of the week-end triumph over the Russian 163rd division, also were reported.

The Russians, the communique said, were being pursued in the direction of Junturanta, near the Finnish-Russian border.

The Finns reported seven Red army planes were shot down during raids yesterday in which the southwestern port of Turko (Abo) suffered heavily. Large sections lay in smoking ruins today.

Unofficial reports said numerous Russian bombers had been forced down in Finnish territory by frigid weather and blizzards.

BUSINESS CENSUS GETS UNDER WAY

Washington, Jan. 2.—(P)—Six thousand men and women began knocking today at the doors of 3,200,000 business and industrial establishments in the United States, seeking information for the 1940 census of business, manufacturing, mining and quarrying.

By May 1, census bureau officials hope to have the answer to 149 sets of questions as grist for the first general inventory of all American business and industry since 1935, with particular emphasis on trade volumes, employment and payrolls. Each business will answer only one set of questions.

In the spring, 121,000 more enumerators will take the field for the general decennial census of population, agriculture and housing.

BRITISH BOMBERS LOST AFTER FIGHT

London, Jan. 2.—(P)—The air ministry announced tonight two out of three British bombers were missing after a fight over the North sea with 12 Messerschmidt fighters this afternoon.

The announcement said one Messerschmidt was "shot down in flames" and two others were driven down and "likely to have been lost."

The bulletin said the battle occurred in the neighborhood of the German coast.

"Although the Royal Air Force formation was heavily outnumbered they gave battle to the enemy," the announcement said.

One bomber had returned, a second was shot down during the encounter and the third was reported "missing."