

TRUMAN ASKS REVENUE INCREASE

Defense Denies Bridges Joined Communist Party

Statement Made As Defense Opens Case

San Francisco, Jan. 23—(UP)—A flat denial that Harry Bridges ever joined the communist party was made today by the defense as it opened its case in the perjury-conspiracy trial of the CIO longshore union president and two of his subordinates.

Attorney James Martin MacInnis, in an opening statement that took up most of the morning session of the 37th day of trial, said the defense would show "by the weight of evidence" that Bridges never was a communist, held a membership card, paid dues or used the aliases of Rossi, Dorgan, Canfield, Harvey or Quinn.

Accused of Lying
Bridges is accused by the government of lying at his 1945 naturalization hearing when he swore he was not and never had been a communist. J. J. Robertson and Henry Schmidt, both officers in the CIO International Longshoremen's and Warehousemen's union, are charged with conspiring to commit perjury by backing up Bridges' sworn statement.

Quietly and without the verbal fireworks that characterized the preceding weeks of the trial, MacInnis outlined the defense's strategy.

Defendants To Testify
He said all three defendants would take the stand in their own defense. They "insisted" on waiving their rights to abstain from testifying, MacInnis said.

MacInnis described the government's case "in the most benign sense as one filled with mistakes."

"It is made up of lies, fabrication and insanity," MacInnis said, echoing an earlier claim by Defense Attorney Vincent Hallinan that the prosecution of Bridges was a "gigantic government conspiracy."

Carlos Morris Named To Embalmers' Board

Salem, Ore., Jan. 23—(UP)—Dov Douglas McKay today appointed Carlos W. Morris of Medford and Ben O. Coleman of St.



Helens as members of the Oregon state embalmers examining board. Each will serve a two-year term.

Morris, of the Conger-Morris funeral home at Medford, will succeed Glen S. Macy of McMinnville, Coleman, of the Coleman funeral home at St. Helens, will succeed W. L. Finley Jr. of Portland.

Polio Fund Shy \$2 After Work Of Thief

A new meanness thief tale was related to city police here yesterday.

Mrs. Denova Spencer of the Blue-Ox cafe, 45 South Front street, reported that the March of Dimes contribution container at the store was stolen during the afternoon. It contained about \$2.

The empty container was later found.

'Bunch of Jerks' At Party Target of Guest's Pistol

Detroit, Jan. 23—(UP)—A woman guest lined up six persons at a party early today and fired wildly at them with a revolver, apparently because another guest insisted on dancing with her own husband.

Mrs. Mary Shannon, 38, was beaten by two of the other guests at the home of Mr. and Mrs. William Richards after she shot Mrs. William Williams in the leg, police said.

Becomes Enraged
Authorities said Mrs. Shannon became enraged when Mrs. Williams insisted that she wanted to dance with her husband.

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PICKETS GATHER AT COAL PITS

Hungry Guards Take Up Stand At Mine Entrances

Rebel Forces Seek To Upset Chief's Order

Pittsburgh, Jan. 23—(UP)—Rebel United Mine Workers forces sent picket bands scouting through the coal fields today to upset John L. Lewis' drive to end wildcat "no contract-no work" strikes in five states.

Lewis sent orders to the 90,000 miners who quit work last week, directing them to return to the UMW's three-day week, but 57,500 still refused to work.

Pickets Hungry
The rebel pickets, some of them admittedly hungry, gathered at the mine entrances today turning back miners who had voted to work. The pickets persuaded them that only a full scale strike could break the deadlocked contract dispute.

The wildest walkouts were the biggest protest against a Lewis work order since May, 1946, when more than 85,000 Pennsylvania miners ignored Lewis' call for a two-week truce in the contract strike. However, many of the striking miners said they believed Lewis actually wanted a complete shutdown now, but did not call it because it might result in Taft-Hartley injunction proceedings against him and the union.

Refuse To Cross Lines
Hardest hit was western Pennsylvania, where 25,000 of the district's 50,000 workers were idle. An estimated 10,000 of Ohio's 16,000 soft coal miners refused to cross picket lines. About 15,000 of West Virginia's 118,000 miners stayed out and 1,000 Kentucky miners failed to report. Of Alabama's 20,000 miners, 6,500 were idle.

Biggest center of the rebellion against Lewis' three-day week strategy was UMW District 4, surrounding Uniontown, Pa. Only two mines in the district worked.

Willamette Runs At Flood Stage

Portland, Ore., Jan. 23—(UP)—The main stem of the Willamette river ran at flood stage along its middle reaches today, but the weather bureau said that colder weather would check rising flood waters throughout the storm-stricken Pacific northwest by tomorrow.

The Willamette surged two feet over its banks at Harrisburg, 30 miles upstream from Portland, after cresting two-tenths of a foot above flood stage at Albany, Ore.

Only lowlands were flooded and river forecasters said they expected the flooding, caused by warm rains thawing a big blizzard's snowpack, to be minor.

The Klamath river near Tillamook, Ore., also was flooding and coastal highway 101 was closed. Johnson creek went out of its banks in Southeast Portland.

Snow mixed with rain was forecast for the Portland area tonight along with colder temperatures.

Stalin Receives China Red Foreign Minister

Moscow, Jan. 23—(UP)—Premier Josef Stalin received Chinese Communist Foreign Minister Chou En-lai at the Kremlin last night, the Soviet news agency Tass announced today.

Also present at the meeting were Soviet Foreign Minister Andrei Vishinsky and Chinese Ambassador Wang Chia-hsiang.

Neither Serious
Mrs. Shannon and Mrs. Williams were taken to Receiving hospital. Neither was in serious condition.

Police quoted Mrs. Shannon as saying that "all I wanted to do was go after them and scare them."

"I wasn't planning to shoot anyone," she said. "They were all such a bunch of jerks, and they just got excited."



MOTHER NATURE TURNS LUMBERJACK—Winter's icy ax brought this tree limb crashing down on an auto and across a street during a severe ice and snow storm at Portland, Ore. The weeklong blizzard left 13 inches of ice and snow in Portland and caused the death of 39 persons in Oregon, Washington and Northern California.

Medford Teacher Honored For Work In Aiding Blind

Miss Annette Gray, 808 Dakota avenue, an English teacher at the Medford junior high school, is one of 50 women throughout the United States being honored today for their volunteer work in assisting the blind.

The Braille club, a national organization for the promotion of braille, is presenting gold honor award pins to women who have served voluntarily as braille teachers, binders or transcribers. The awards are being presented to those who can attend at a dinner in New York City tonight. Miss Gray was unable to make the trip east for the event.

She first became interested in transcribing books into braille about five years ago, with Mrs. John Gribble, another volunteer, assisting her in getting started. Her work is done for the Library of Congress, and she has transcribed about 2,500 pages in the years she has been doing the work "as a hobby," she said. The teacher is able to do one long or two short books each year.

The work is done either with a braille typewriter, or with a slate and stylus, Miss Gray explained. She uses the latter method because braille typewriters were unavailable during the war when she first began the work.

The president of the Braille club, Bernard M. Krebs, who is blind librarian of the New York Guild for the Jewish Blind, will make the presentations at the banquet in New York tonight.

Volunteers Praised
In commenting on these awards, he said recently, "These volunteers have compiled so great a record of achievement that they are deserving of the highest praise. Modestly, quietly, yet diligently, they have in their several fields aided in broadening the educational and recreational horizon of blind people, by providing a wealth of literary and technical material in braille which otherwise would have been inaccessible."

Miss Gray is at present being visited by her brother and sister-in-law, Mr. and Mrs. Charles D. Gray, of Illinois.

Veteran Hollywood Actor Taken By Death

Hollywood, Jan. 23—(UP)—Big, blustering Alan Hale, whose screen career stretched from silent picture days to modern colored films, died last night of a virus infection at Hollywood hospital.

He was 57.

Dr. Victor Herman pronounced him dead at 8:10 p.m. of a liver ailment complicated by an infection and pneumonia. At his bedside were Hale's wife, Gretchen, a son, Alan Jr., and a daughter, Karen.

The six foot two inch actor contracted a cold during a recent trip to Montana for the premiere of a picture in which he appeared. His condition became worse after he returned home, and he developed pneumonia.

He died less than 24 hours after entering the hospital.

Hale was in the movies for nearly 40 years, surviving periods of ups and downs and jumps into other professions.

Building Given New Name, Changes Told

In keeping with its new face and appearance, the Medford Center building today officially changed its name by filing a new business designation with the county clerk as "The Medical Center building." The certificate was signed by Hazel D. Crossman, owner.

Remodelling throughout the four-story structure has been in progress for months, and when the work is completed this summer the building will have been renovated from top to bottom and will present an entirely new appearance in the midst of the Medford business district. Work has proceeded piecemeal so far with no total figure yet available that would show the total cost of the project.

Railroad Resumes Cascade Service

Klamath Falls, Ore., Jan. 23—(UP)—Crews cleared the wreckage of a Mallet engine and 21 freight cars from Southern Pacific railroad tracks north of here today and normal service was resumed at 6 a. m.

The freight engine plowed into two giant boulders on the Agona hill grade, 14 miles north of Klamath Falls, Saturday night. Fireman James H. White, 42, Klamath Falls, suffered a sprained back.

Train passengers were being transported around the wreckage by bus.

Both northbound and southbound Klamath trains, Nos. 19 and 20, were routed over the Siskiyou route through Ashland and Medford yesterday, due to the block at Modoc Point, according to Robert Holmes, district freight and passenger agent.

Two extra freight trains, one in each direction, also were rerouted through here, Holmes said. He was east of the mountains yesterday assisting in the transfer of passengers around the roadblock on the SP's main line.

Russ Border Guards Delay Train Traffic

Berlin, Jan. 23—(UP)—Russian border guards delayed American army train traffic in and out of Berlin for seven hours early today but removed restrictions on truck traffic.

A westbound U. S. military train running from Berlin to Frankfurt was halted at the Soviet border Checkpoint of Marlenborn and kept there seven hours while guards made a minute inspection of travel permits carried by passengers.

One American official said the Soviets "particularly objected" to the presence on the train of seven Brazilians and one German. However, the train finally was permitted to proceed at 6:35 a.m.

River Rises Slowly, Crest Seen Tonight

The Rogue river was slowly rising today, the weather bureau here said, but it is expected to reach its crest tonight well below the flood stage. At Grants Pass the river reading rose from 9.34 to 9.55 between 8 and 9 a. m. today, the bureau said. Flood stage is 15 feet.

Colder weather in the mountains will halt the runoff tonight and the river is expected to drop slowly tomorrow, the forecasters said. Bear creek so far has been able to handle all snow runoff without difficulty, and no flooding is anticipated.

WEATHER
FORECAST: Partly cloudy with snow showers in mountains and a few rain showers in valleys tonight and Tuesday. Valley fog Tuesday morning. Cooler.
Highest Yesterday 50
Lowest this Morning 40
Free to 4:30 A.M. Today 31

Message Proposes No Income Tax Changes

Washington, Jan. 23—(UP)—President Truman today called for some excise tax reductions, coupled with higher levies on corporations, gifts and estates to give the government a net increase of \$1,000,000,000 in revenue.

Mr. Truman in a special tax message to congress proposed no changes in individual income taxes.

He recommended a selective reduction in excises—only to the extent that the loss in revenue can be made up by closing what he called "loopholes" in other tax laws.

He said the corporation, gift and estate tax increase, the exact amount of which he left to congress, should raise the overall government revenue by about \$1,000,000,000 a year.

Summary Of Tax Recommendations To Congress Given

Washington, Jan. 23—(UP)—A summary of President Truman's tax recommendations to congress:

Proposed: Changes in tax laws to yield net gain of \$1,000,000,000 in revenue. No increase in individual income taxes.

How?
1. By increasing corporation, gift and estate taxes to give the treasury \$1,000,000,000 more.

Cut Excise Taxes
2. By reducing excise taxes on such items as luggage, handbags, toilet preparations and on transportation of property and persons, long-distance telephone calls and telegrams.

3. The excise tax cut must be "only to the extent" that the loss of revenue is made up by closing loopholes in present tax laws.

Loopholes to be plugged:
1. The "excessive" depletion exemptions granted oil and mining interests. Mr. Truman said the depletion exemption goes on year after year although the original investment has been many times recovered. It is "shocking," he said.

2. The device by which Hollywood producers and stars avoid high taxes by creating temporary corporations which are dissolved after making one film. The 25 per cent capital gains tax therefore is assessed instead of high individual income taxes.

3. Tax exemptions granted some educational and charitable organizations.

4. The tax law which "unintentionally" has relieved life insurance companies of income taxes since 1946.

To Add To Revenue
Loophole salvage:
Mr. Truman estimated that plugging these loopholes would add "several hundred million dollars" to revenue. Excise taxes thus could be cut by that much, he said.

One package tax:
Mr. Truman indicated he wanted a "one-package" tax reduction-increase bill. "Under present conditions," he said, "we cannot afford to reduce excise taxes first, in the hope that action will be taken later to make up for the loss in revenue."

Corporation taxes:
1. A "moderate" increase in taxes of corporations with more than \$50,000 income.

2. A reduction in tax rate of corporations with income between \$25,000 and \$50,000 to the same as those above \$50,000. Corporations between \$25,000 and \$50,000, he said, now are taxed at the "excessively high" rate of 53 per cent.

3. Loss carry-forward: Recommended that this provision for marking off losses in bad years against profits of subsequent years be extended from the present to five years.

Foreign income:
4. Foreign income: Postpone the tax on corporate income abroad until the income is brought home; extend and generalize the present credit for taxes paid abroad, and liberalize foreign residence requirement for exemption of income earned abroad.

Gift and estate taxes:
Yield is too low due to the republican 80th congress' one-third cut in rates, excessive exemptions and loopholes which leave great wealth beyond the reach of tax laws. Exemptions should be reduced and rates revised.

Balanced budget:
None foreseen for several years. He said "nothing could be more foolhardy" than an attempt to balance the budget in 1951 by measures that would make "impossible" balanced budgets in future years.

Deficit blame:
"Due largely" to the tax reduction voted by the 80th congress and the "present necessity" for huge funds for national security and world peace.

Ukiah, Calif., Jan. 23—(UP)—The body of a man identified as Lloyd Laird, 55, of Bandon, Ore., was found in an automobile parked on a lonely road near here Saturday.

Manila, Philippines, Jan. 23—(UP)—Roving U. S. Ambassador Philip Jessup conferred tonight with Acting Foreign Secretary Felino Neri.

Alaska Statehood Issue Due In House
Washington, Jan. 23—(UP)—Speaker Sam Rayburn put off for at least three weeks today a no-holds-barred house fight over the administration's proposed fair employment practice act.

Rayburn side-tracked the issue by tapping the Alaskan statehood bill as the house's business for today.

The Texas democrat indicated it would give house members time to cool off after last week's unsuccessful efforts by southern democrats and some republicans to change the house rules.

Passengers Hurt As Bus Hits Rock
Oregon City, Ore., Jan. 23—(UP)—A Northbound Pacific Greyhound bus struck a huge boulder south of Oregon City early today and state police said 19 of 22 passengers were injured when the heavy vehicle turned over on the highway.

Frank Johnson, Eugene, Ore., driver, said the boulder, estimated at about three tons, had fallen in the center of the north-bound lane. He said he had a choice of hitting the boulder or another bus approaching from the other direction.

John's bus rammed the obstruction, swerved off the road and scraped a retaining wall for 225 feet before overturning on the left side.