

Increased Government Spending Shrinks Budget Surplus, Analysis Shows

WASHINGTON, Dec. 31 (AP)—Increased government spending and decreased revenues during the next fiscal year may result in a shrunken budget surplus of as little as \$2,500,000 compared with this year's prospective \$6,000,000, government analysts said today.

The result would be far less leeway for reducing the public debt and cutting income taxes than has existed during the current fiscal year ending June 30.

The analysts who made the forecast explained it this way:

1. The administration hopes to reduce domestic spending, but its plans for foreign aid would run the total government outlay to around \$39,500,000,000 for the 1949 fiscal year compared with \$37,000,000,000 to \$37,500,000,000 this year.
2. Meanwhile, even without a cut in taxes, revenues would drop from well over \$43,000,000,000 this fiscal year to perhaps as low as \$42,000,000,000 next year as declines in incomes from such sources as surplus property sales offset possibly higher tax receipts.

These figures, which mirror the situation confronting President Truman as he prepared his budget for submission to congress in mid-January, could be altered sharply by congress.

Republicans are expected to attempt to widen the surplus margin by cutting down the \$39,500,000,000 spending total to leave room for both a tax cut and reduction of the \$257,000,000 federal debt.

How effective congressional budget-pairing will be is another question.

GI Students Jam Schools

Disabled ex-GIs now studying in Oregon schools under the federal vocational rehabilitation act are at an all-time peak of 1963, Zeno H. Dent, veterans administration training officer for the area, reported today.

On-the-job training for the war disabled has slowly declined, however, to a December total of 1089 from the high point of last July. Consequently, the combined count of 2653 veterans in training under public law 16 is just 16 below last April's all-time mark.

Since September 1, Dent pointed out, 230 disabled ex-GIs have gone into training to learn new skills through on-the-job instruction. The present waiting list for job-training positions includes 79 others in this state.

Combined efforts of employers, the employment services and three major veterans' groups have reduced this waiting list of disabled ex-GIs, but more job chances are needed, Dent said.

Thus far, 145 severely disabled veterans have been fully rehabilitated through VA-assisted training programs, and many more are virtually on their own.

Employers are assured, Dent explained, that any disabled ex-GI recommended to them already has been carefully screened so his handicaps will not hinder him in the job he seeks.

Under public law 16, a service-disabled veteran is eligible for as much as four years of special training to restore his employability. Training must be completed by mid-1956.

Exports Blamed For High Prices

ST. LOUIS, Dec. 31 (AP)—Senator Robert A. Taft says that passage of the Marshall plan in its proposed form would "necessarily mean higher prices" here at home and would not do as much to prevent communism abroad "as careful dispensation of aid to meet special problems."

The Ohio candidate for republican presidential nomination, speaking before the John Marshall club last night, expressed belief "we tend to overestimate the importance of American dollars on foreign nations."

Taft said the most important cause of high prices today is the tremendous surplus of exports in 1947 and the threatened continuation of that surplus next year.

New X-Ray Plan To Be Tried Out

BALTIMORE, Dec. 31 (AP)—Johns Hopkins specialists announced today they will make 10,000 high speed X-ray picture examinations next year to determine if the technique can be helpful in detecting stomach cancer.

Their idea is an adaptation of the mass chest X-ray program which is now being used to detect tuberculosis in its early stages.

The present fluoroscopic examination for cancer is much more complicated and expensive. For example, it uses so much more radiation energy that the operator of the equipment is in danger of radiation poisoning if he works at it too steadily.

Turn those no-longer-used articles into cash now! Herald and News Want Ads are inexpensive and bring quick results.

PILES
SUCCESSFULLY TREATED
No Pain - No Hospitalization
No Loss of Time
Permanent Results
DR. E. M. MARSHA
Chiropractic Physician
720 No. 110 - Century Theatre Bldg.
Phone 7066

Bring In Your New Year With a BANG!!
BIG WESTERN DANCE
South Sixth Street Corral
Located at Fairgrounds
WEDNESDAY, DEC. 31st
Les Gardner
and His
Western Rhythm Busters
Come One - Come All
'47 Out-'48 In!
Admission \$1.00 Per Person Inc. Tax.
Dancing Starts at 9:00

CARNIVAL

By Dick Turner



"Another thing, Jenkins—stop referring to my afternoon guests as 'tea bags'!"

Bridge Busts, Truck Burns

SALEM, Dec. 31 (AP)—Several loggers and ranchers were stranded today after the collapse yesterday of a bridge over the Little North Fork of the Santiam river, 25 miles southeast of here.

The bridge collapsed as a John Philpot company logging truck, driven by Arthur Anderson of Lyons, was leaving the structure.

The truck burst into flames, which destroyed both the truck and bridge. Anderson was only slightly hurt.

The 12-year-old bridge was to have been replaced soon. A temporary road is being built to enable logging operations to be carried on and to enable ranchers to reach the outside.

Flu Cases Increasing

The rising number of influenza cases in Oregon in late November and the early part of December should alert the public to extra precautions, the Oregon Health Journal advises.

No particular significance is attached by physicians to the 100 per cent increase over the previous year, and there is no accompanying jump in pneumonia.

Communicable diseases reported in Klamath county for the first two weeks in December number 32.

There were 21 cases of chicken pox, two of measles, five mumps, two scarlet fever, one infectious conjunctivitis, one tuberculosis.

These figures were compiled from reports of 85 per cent of Klamath county physicians.

Butter Price Hoisted Again

PORTLAND, Dec. 31 (AP)—A year-end reminder that the cost of living worries are still here:

Butter advanced 1 or 3 cents on the wholesale market here today, a new high for fast waning 1947.

Retailers will pay 92 cents a pound for grade AA; 91 cents for grade A and 87 cents for grade B.

Consumers won't note the advance, however, until next year, the trade observed without further comment.

First Facsimile Paper Printed

PHILADELPHIA, Dec. 31 (AP)—The Philadelphia Inquirer, through its radio station WFIL-FM, has transmitted what the paper describes as the first facsimile newspaper in the country utilizing new postwar equipment.

Roger W. Clipp, general manager of the Inquirer radio station, said the new equipment used in yesterday's transmission provides high-speed, clear reproduction of printed material, art and pictures in the form of a miniature newspaper.

BETTER HEALTH!
● Hemorrhoids
● Rectal and Colon Ailments
● Gastric Ulcer
Treated without Hospital Operation
Write or call for FREE Descriptive Booklet
Mondays through Fridays: 10 A. M. to 5 P. M.
Evenings: Mondays, Wednesdays, Fridays until 8
Dr. C. J. DEAN CLINIC
Physician and Surgeon
N. E. Corner E. Burnside and Grand Avenue
Telephone East 5918, Portland 14, Oregon

Baby's Colds
Relieve misery direct without "dosing"
RUI VICKS
ON VAPOR

IOOF LODGE
New Year's Party
IOOF Hall - 5th and Main
All Oddfellows, Rebekahs, and Friends Invited.
★ Dancing 9 p. m. ★ Buffet Supper
★ No Admission

Molotov Blames U.S. For Failure

LONDON, Dec. 31 (AP)—Soviet Foreign Minister Vyacheslav M. Molotov threw the blame for the collapse of the London foreign ministers conference on the United States today and declared that only the efforts of the Russian delegation kept the conference from being entirely fruitless.

His statement, given to the Russian press in Moscow at a news conference and broadcast by the Moscow radio, was largely an echo of what he said at the Big Four meeting in London, which ended on December 15 after 17 sessions without agreement.

He charged that the American delegation "undertook to disrupt the entire work of the London conference" because "for some reason" the United States was anxious to delay settlement of Germany's future.

Secretary of State George C. Marshall, in a broadcast report to the United States on December 19, blamed Molotov for the failure of the London conference, asserting that the Russians displayed "no apparent will to reach a settlement."

Although Molotov agreed that the London conference was a failure, he denied that it was fruitless.

"At present," he declared, "allegations are being made that the discussion concerning the preparation of a German peace treaty at the London session was fruitless, although this does not correspond to the facts."

"This session, chiefly through the efforts of the Soviet delegation, adopted a number of decisions in which progress was made in coordinating the attitudes of the four governments in regard to the procedure for the preparation of a peace treaty with Germany."

Molotov suggested that American policy in Europe was "dictated by fear that Germany will re-establish herself as an effective competitor in world markets, in which American monopolies and their affiliates in Europe are seeking to dictate their will."

A murder charge was reduced to manslaughter by the grand jury and Judge Walker refused a request of Perrydale High School Principal Leslie Stewart, asking the boy be paroled in his care.

BIG ESTATE
PORTLAND, Dec. 31 (AP)—Dr. Herbert C. Miller, founder of the North Pacific College of Dentistry, left an estate estimated at \$100,000, probate records disclosed today.

Heirs are his widow, Olive M. Miller, a daughter, Hope Price, and a son, Dr. Horace M. Miller, who was named administrator.

CARD OF THANKS
We wish to extend our heartfelt thanks and appreciation for the acts of kindness, the messages of sympathy and the many beautiful floral offerings during our recent bereavement, the loss of our husband, brother, and father.
The Durbin family.

LUNDY'S LOG CABIN
WISHES YOU
HAPPY DAYS IN 1948
OPEN 4 P. M. THURSDAY AND SUNDAYS
FOR YOUR PLEASURE
Phone 7988 Just Pass the Junction on Keno Road

HEAD COLD QUIZ... WHAT MAKES BREATHING DIFFICULT?
Answer: Nostrils become blocked, just 2 drops, Penetro Nose Drops, in each nostril shrink swollen membranes, open clogged nose. You breathe easier right away. Comes in 3 generous sizes. Get **PENETRO NOSE DROPS**

THE car that needs no name plate
To see it is to recognize it— instantly and unfailingly. But to know it—really know it, from firsthand experience behind its wheel— That's to know what it's like to be the center of all eyes and the envy of every adventurous spirit. It's to know what it means to have size and room all around you—and a ride that seems to cloak every mile in the deep, abiding comfort of your easy chair. It's to know the pleasures of far-off places, quickly and enjoyably reached with Fireballing thrill and the tireless, level stride of all-coil springing. It's to know security and control in emergencies from tires that are both safe and soft, giving you a better bite on the road and a surer answer to your hand on the wheel. It's to know the deep satisfaction of piloting a car that is big and impressive and styled right up to your dreams—yet nimble and eager under the lightest touch. It's to know something fine and good that is also friendly, obedient and faithful. It is to know the very special contentment that Buick owners have and show—a contentment that starts to come your way the moment you see your Buick dealer and get your order in.

HST Mum On Third Party

WASHINGTON, Dec. 31 (AP)—With a shake of his head, President Truman replied no comment today when asked about Henry A. Wallace's candidacy for president.

Reporters sought several times to get his reaction to Wallace's third party move. But the president would not comment on what Wallace has said, or on what his former secretary of commerce has said in criticism of the administration.

The discussion of Wallace began when reporters asked the effect of his announcement on the democratic party.

The president said he had no comment.

Then someone wanted to know how it would affect the new year for the democrats. Mr. Truman said he thought the democrats would have a happy New Year—that he was sure they would and that he would have one himself.

More than 47,000 women are employed in United States banks.

POLIO (INFANTILE PARALYSIS) INSURANCE
Benefits paid up to \$5000 per person
Cost \$3.00 to \$5.00 per person
Coverage effective 28 days from application. Limited number of policies authorized by LLOYDS OF LONDON.
See **George Wood**
c o m. L. JOHNSON
General Insurance
412 Main Phone 5113

Under New Management Have Fun Galore
"Big New Year's Eve Party"
EL RANCHO TULE
(On Highway between Merrill and Tulelake)
Fine Steak - Chicken Dinners
Orchestra - Entertainment
(No Cover Charge)
JACK LUCAS, New Owner.

ONLY BUICK HAS ALL THESE STAR FEATURES
★ AIRFOIL FENDERS
★ FIREBALL POWER
★ ACCURATE CYLINDER BORING
★ SILENT ZONE BODY MOUNTINGS
★ STEPPON PARKING BRAKE
★ FULL-LENGTH TORQUE-TUBE DRIVE
★ CURL-AROUND BUMPER
★ DEEPFLEX SEAT CUSHIONS
★ FLITWEIGHT PISTONS
★ PERMI-FIRM STEERING
★ BUICOIL SPRINGING
★ SAFETY-RIDE RIMS
★ TEN SMART MODELS
★ BODY BY FISHER
Tune in HENRY J. TAYLOR, Mutual Network, Mondays and Fridays
When better automobiles are built BUICK will build them

H. E. HAUGER

1330 Main "24 Years Your Buick Dealer" Phone 5151