

THE WEATHER

By U. S. Weather Bureau

Partly cloudy with showers to night and Tuesday.

See page 4 for statistics.

Roseburg News-Review

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IRAN INVADED BY BRITISH, RUSSIAN TROOPS

Income Tax Exemptions Slash Voted

Senate Group Adds Six Million to Paying List; Sales Levy Idea Spurned

WASHINGTON, Aug. 25.—(AP)—The senate finance committee voted today to broaden the income tax base by lowering exemptions from \$2,000 to \$1,500 for married persons and from \$800 to \$750 for single individuals.

The lower exemptions would bring an additional 6,000,000 persons under the income tax structure and would add between \$300,000,000 and \$350,000,000 to federal revenues. Most of the increase would come from persons already paying income taxes.

Chairman George (D., Ga.) said the vote on lowering the base was 10 to 6. No change was made in the house schedule of rules, he added.

Sales Tax Rejected

The committee rejected a proposal by Senator Vandenberg (R., Mich.) for a general manufacturers' sales levy. Also rejected was a proposed withholding tax. The vote on the sales tax elimination was 12 to 5. There was no record vote, George said, on the withholding tax, which would levy on income at the source.

George said the treasury was not prepared to submit recommendations on the withholding tax and wished an opportunity to study next year's income tax returns before taking a stand on the question.

Of the additional revenue expected from the lower income tax exemptions, George said about \$49,000,000 would come from new taxpayers.

The committee accepted house-approved exemptions up to \$40,000 on estates, gifts and insurance.

In the Day's News

By FRANK JENKINS

THE world waits today (Thursday) on Russia.

Especially Japan, which for nearly a week has been as quiet as a mouse. Above everything else, Japan doesn't want to repeat Mussolini's mistake.

THE Germans, having failed to break the Russian center, are hammering the wings with terrific force.

They are reported today to be within 13 miles of Leningrad (report unofficial and unconfirmed.) Marshal Vorishlov, commanding the Russian right (northern) wing, dramatically calls on Leningrad's inhabitants to fight to the death.

"Stand firm to the end," he says to them. "Death to the bloody fascist German robbers!"

ON the left (southern) wing, Marshal Budyenny has his hands full getting his forces back over the Dnieper.

The air is full of rumors—including one to the effect that he has blown up the Dnieper river dam, built by American engineers at a cost of 100 million dollars, up to the time of Boulder dam the world's largest.

Blowing up the dam is said to have turned the Dnieper into a rushing torrent, hard to cross. Also to have destroyed the source of power for most of the Ukraine's industries.

More scorched earth—if the rumor pans out.

THE situation in Odessa is obscure. Whether it is to be another Dunkerque or another Tobruk can't be guessed at yet.

FROM a foreign diplomatic source in Ankara comes this rumor:

Advance units of two Nazi divisions have arrived in Bulgaria.

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Gun Ends Two Lives in Rivalry Over Woman



Spurred by jealousy over his former wife, James H. McDonald, 47, at top, army sergeant and R. O. T. C. instructor, shot and killed her and her husband of four days, Robert A. Newcomb, lower photo, in their newly-established home at Oakland, Calif., last Saturday. Near death after shooting himself in the chest, McDonald penned a confession of his deed, adding: "May God forgive me! I can not live without her."

7 Killed, 16 Injured In Bus-Auto Crash

WALDWICK, N. J., Aug. 25.—(AP)—Seven members of one family, returning from a Sunday outing, were killed and at least 16 other persons were injured last night in a collision of a Central Greyhound bus and four automobiles.

Dead were Joseph Bason, 38; his wife, Blanche; their daughters, Charlotte, 8; Marian, 6, and Ursula, 4; and Bason's sisters, Elizabeth, 25, and Ann, 19, all of Jersey City.

Bason's brother, Williams, 31, was severely burned and not expected to live.

Bergen County Prosecutor John J. Breslin, Jr., who held an all-night investigation of the crash, said "I am satisfied the accident was due in great part to the negligence of the bus driver."

He ordered the driver, Carl Ramsey, 30, Albany, N. Y., held on charges of causing death by reckless driving.

Lost Boat With Four Men Sought Off Columbia

SEATTLE, Aug. 25.—(AP)—Search was resumed today for the tuna fishing boat Clara M., which was reported last Friday adrift 25 miles southwest of the Columbia river lightship after losing her propeller. Four men are believed aboard the craft.

A coast guard plane, which made an unsuccessful search yesterday, planned to take off again today from its Port Angeles base to seek the missing boat.

Strike Ends Govt. Takes Snipyards

18,000 Workers in Jersey Resuming Jobs; Detroit's Traction Tie-Up Ended

(By the Associated Press)

Three thousand workers, vanguard of 18,000, headed back to work today under navy management at the plant of the Federal Shipbuilding and Drydock Company in Kearny, N. J.

CIO's industrial union of marine and shipbuilding workers, who tied up half a billion dollars of ship construction with their strike call August 7, voted yesterday to end their walkout in view of President Roosevelt's order Saturday that the navy take over the yards. It was expected that full operations would be under way Tuesday.

The union will negotiate with the navy over its demand for a maintenance-of-union contract clause which would provide for dismissal of workers who failed to pay their dues. This clause was what caused the company to balk at accepting a national mediation board recommendation for settlement of the dispute.

Detroit Strike Ends

Ended also yesterday was an AFL strike which had tied up Detroit buses and street cars since last Wednesday. The Amalgamated Association of Street, Electric Railway and Motor Coach Operators agreed to resume work pending an election to determine whether a majority of the transit workers wish to be represented by that union or CIO's State, County and Municipal Workers of America.

The AFL called the strike to support a demand that it be recognized as sole bargaining agent.

Another jurisdictional dispute which had threatened a stop in seven Great Lakes yards of the American Shipbuilding company was headed off when competing AFL and CIO unions agreed to a bargaining election. In this case the AFL, seeking sole bargaining rights, had threatened to call its members of production on \$25,000,000 of defense orders.

Open Charge Holds Accident Victim

While doctors and nurses stood by in the hospital receiving ward, and police officers and an ambulance driver sought for the victim of an automobile wreck, the man for whom the activity resulted was resting in a cell in the county jail.

Officers received word late Saturday afternoon of a serious wreck at Camas Valley. An urgent call was sent for an ambulance, and the hospital was notified to prepare for the arrival of the victim.

While all the excitement was in progress, Gilbert Cobb of Roseburg appeared at the courthouse to report an accident. He was immediately placed under arrest by Deputy Sheriff Wilson Harts, county jailer, who reported that Cobb was apparently badly intoxicated.

Cobb, it was reported, had ditched his car while attempting to pass two automobiles traveling ahead of him. He suffered minor scalp wounds, but caught a ride into town without waiting for the ambulance, which was summoned by witnesses of the accident.

He was being held today on an open charge while investigation was in progress.

Salem Business Stilled To Rescue Bean Crop

SALEM, Aug. 25.—(AP)—Salem's business was virtually at a standstill today as merchants closed up shop to let their employees go into the bean fields to help save the bumper crop, which is threatened because of a shortage of pickers.

Rain over the week-end will help save the beans until enough pickers are found, growers said. Meanwhile, hop growers also are facing a shortage of pickers.

Jolt to Draftee Arouses Ire Of Congressman



Center of the latest controversy between the army and congress is Col. Charles B. Elliott, above, commander of Fort Bragg, N. C., where John Habinak, 26, was sentenced to ten years and 9 months imprisonment at hard labor for insubordination. The draftee refused to obey orders or work for \$21 a month, arguing he received \$10 a day in civilian life. Calling the sentence "amazing and outrageous," Rep. Stephen M. Young, Ohio, asked that Col. Elliott be removed from his command. Habinak, it was charged, refused (1) to clean up his mess kit, (2) refused to pick up pieces of broken concrete, (3) refused to clean up his sleeping quarters, (4) spat on the mess hall floor and (5) refused to clean up the saliva.

Prison Sentence Of Insubordinate Draftee Reduced

WASHINGTON, Aug. 25.—(AP)—The war department announced today that Robert P. Patterson, acting secretary of war, had reduced the prison term of John Habinak, Pennsylvania draftee, convicted by a military court martial of insubordination, from 10 to 3 years in prison.

The acting secretary also suspended execution of Habinak's dishonorable discharge until his release from confinement at the Fort Leavenworth, Kas., disciplinary barracks where he was ordered confined.

The war department announced that if Habinak's prison conduct is good, he will be released in 30 months, which is the maximum period of service to which trainees are liable under the revised draft law.

Suspension of the dishonorable discharge will make it possible, the department said, to restore Habinak to duty at any time with remission of the unexpired term of confinement should his subsequent conduct justify additional clemency. He would be required, however, if the emergency continues to complete his service with the army.

Habinak's 10-year sentence stirred criticism in congress because of its severity, and the department acted with unusual speed in reviewing the court's action.

Douglas Booth at State Fair Being Prepared

Preliminary work in setting up the Douglas county booth at the Oregon State fair was accomplished Sunday by Harry Pinniger, secretary of the chamber of commerce, and H. D. Palmer of the Lions club. The Roseburg Lumber company is preparing log slabs, which are to be featured in this year's display, and they will be taken to Salem the latter part of the week. Exhibits also are being collected and will be set up by Paul Abel and Mr. Palmer next Sunday. The fair will open Labor day.

Ouster of Nazis, Oil Saving Purposes; Leningrad Holds Out in Bloody Battle

Onslaught Of Nazis Halted, Soviet Says

Russian Counter Attack In Smolensk Area Also Inflicts Heavy Losses

By the Associated Press

Soviet military dispatches today declared that red army defenses had checked the German onslaught toward Leningrad and that heavily reinforced Russian divisions were successfully counter-attacking.

Mammoth Soviet tanks were credited with smashing 135 light German tanks in bloody fighting south and southwest of Leningrad, while on the central front, in the Gomel area, between Smolensk and Kiev, the Russians said they left more than 100 Nazi armored vehicles wrecked and aflame.

In his broadcast from London Sunday, Prime Minister Churchill of Britain, who estimated German casualties so far in the 65-day battle with Russia as a million and a half or perhaps two million men, declared that for the first time in the war German "has flowed in a fearful flood" leaving the Nazi leaders "surprised, startled, staggered."

The Russians declared one Rumanian and two German divisions had been routed and said three other Rumanian divisions had lost 26,000 men in the bitter fight for the Black sea port of Odessa.

Town Recaptured

Ponderous Russian tanks were said to have spearheaded a counter-attack.

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Third Convict In Escape Captured

PORTLAND, Ore., Aug. 25.—(AP)—An all-night chase of an automobile thief ended today in the capture of Kenneth Lloyd Hougham, 19, third of three convicts who escaped from a state prison farm Saturday.

Two special officers and a shipyard's guard caught him in a thicket in the north end of Portland after he had abandoned the fifth automobile he had stolen during the night, Sergt. Dell Holland of Portland reported. He offered no resistance.

Hougham said he had been "on the run" since his arrest, James Q. Anderson, 19, and Charles Melvin Charnick, 19, fled from the prison farm Saturday.

The other two escapees were captured the same day.

Hougham, badly disheveled, said he hadn't eaten anything and had slept very little since Friday night.

"I'm glad it is all over," he told his captors.

In his possession was an expensive watch. Sergeant Holland said he admitted taking it from an automobile near Oswego.

Biddle Succeeds Jackson As U. S. Attorney General

WASHINGTON, Aug. 25.—(AP)—President Roosevelt nominated Francis Biddle solicitor general of the justice department, today to be attorney general of the United States.

Biddle will move up to the post vacated when Robert H. Jackson was appointed to the supreme court. It is expected that Charles Fahy, assistant solicitor general, will become Biddle's successor.

Biddle before going to the justice department had served as a federal circuit judge in Pennsylvania.

Biddle is a direct descendant of Edmund Randolph, the first attorney general of the United States, appointed by George Washington in 1789.

Churchill Warns Japan to Halt Her Far East Campaign, Pledges British Lineup With America if War Breaks

TOKYO, Tuesday, Aug. 26.—(AP)—Prime Minister Churchill's assertion that Britain and the United States were trying to obtain a peaceful settlement with Japan was described as "nothing but a big lie" today by Nichi Nichi, one of the most influential Japanese newspapers.

Nichi Nichi called on Britain to end "anti-Japanese" activities immediately and proclaimed:

"Japan is determined to eliminate all obstacles to her southward advance. Japan does not hesitate to meet any opposition."

LONDON, Aug. 25.—(AP)—Prime Minister Churchill warned Japan yesterday that her campaign of military expansion must stop and pledged Great Britain to range herself beside the United States should the latter's efforts to secure a peaceful settlement in the Pacific fail.

The Japanese, he said, "now stretch a grasping hand into the southern seas of China. They snatch Indo-China from the wretched Vichy French. They menace by their movements the British link with Australasia and menace the Philippine Islands which are under the protection of the United States."

"It is certain that this has got to stop. Every effort will be made to secure a peaceful settlement. The United States are laboring with infinite patience to arrive at a fair and amicable settlement which will give Japan the utmost reassurance for her legitimate interests. We earnestly hope these negotiations will succeed. But this I must say, that if these hopes should fail we shall, of course, range ourselves unhesitatingly at the side of the United States."

Veto Hits Freeze Of Cotton, Wheat

WASHINGTON, Aug. 25.—(AP)—President Roosevelt vetoed today legislation to freeze government stocks of wheat and cotton, declaring it to be contrary "to sound governmental policy" and to the long-time best interests of both farmers and consumers.

In a message to the house, the chief executive said it was his conviction that approval of the measure "would seriously and adversely affect the agricultural adjustment program and the attendant policies which have been so beneficial to our farmers during the past few years."

Advocates of the bill at the capitol had contended that sale of the government stocks might depress prices.

The bill also would have guaranteed a price for peanuts of 85 per cent of parity. (Parity is the price designed to give farmers purchasing powers equivalent to that of the 1909-14 period.)

Mr. Roosevelt termed particularly objectionable a provision directing the Commodity Credit corporation to acquire title to all cotton and wheat of the 1940 and previous crops in which it has an interest and hold them for an indefinite period.

Producers, consumers, and congress have accepted as fair and reasonable, Mr. Roosevelt said, the parity price goal of the administration's farm policy.

He said he did not feel farmers would want this acceptance "destroyed" by action designed to force prices above parity "through the arbitrary withholding of government-owned stocks from the normal channels of trade and commerce."

Oregon Deficit Erased By One Tax Payment

SALEM, Aug. 25.—(AP)—The \$450,000 deficit left by the 1941 legislature has been turned into a surplus, largely because of the \$874,000 inheritance tax payment by the estate of the late E. S. Collins, of Portland, the state treasury said today.

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Pledges Aid to Russia

On the other side of the world, he called the "Atlantic charter" drawn by him and President Roosevelt a British-United States pledge to destroy Nazi tyranny.

In a broadcast to the world he described his meeting with the American executive as a "marshalling of the good forces of the world against the evil forces" and a beacon of hope for all the conquered nations of Europe.

In the German attack on Soviet Russia, he said Nazi blood for the first time "has flowed in a fearful flood." He promised aid to Russia and praised her efficiency and equipment.

If Germany were to defeat Russia and then Britain in a policy of destroying her opponents one by one, Churchill expressed the opinion the United States would be attacked next.

Churchill said the meeting with President Roosevelt represented the forces of "two major groupings of the human family who happen to speak the same language."

Following soon after Churchill's pledge, the largest single contingent of RAF officers and men sent to Malaya in more than a year arrived at Singapore. Coincidentally, British transports disembarked strong Indian army reinforcements at Malayan ports.

Storm Inflicts Death, Property Damage in East

PHILADELPHIA, Aug. 25.—(AP)—A windstorm that approached cyclonic proportions swept through a tri-state area today, killing at least one person and injuring more than a score of others, toppling factory smokestacks and homes, and leaving a trail of other property damage.

The wind hit with terrific force at Swedesboro and Woodbridge, N. J., and Wilmington, Del., about 1 p. m. Philadelphia streets were flooded.

Eleven airplanes were smashed at the Du Pont airport in Wilmington and airport officials said only three appeared to be worth repairing.

Five smokestacks tumbled down upon the Edgar F. Hurff canning plant at Swedesboro, injuring employees and killing George Hemple, about 35, a milkman passing by in a truck.

A synthetic rubber plant at Woodbridge was reported aflame after the passage of the storm. Trucks in that vicinity were overturned. About 20 houses were blown down.

Hospitals at Woodbury, N. J., and Perth and Amboy were crowded with the injured.

Radio Eases Life for San Quentin Convicts

SAN QUENTIN, Calif., Aug. 25.—(AP)—A radio head-set in every cell—that's Warden Clinton Ruffalo's latest addition to the

scheme of life within San Quentin prison in his efforts to rehabilitate convicts by giving them an interest in the outside world.

For four hours last night about 4,000 prisoners listened to news of the world, comedy dramas and musical programs selected by a committee of 30 inmates and approved by the warden.

The radio system, an \$8,000 job, was paid for entirely out of the prisoners' own library fund.

DEFIANCE

Japan's spokesman declares his country will continue its South Sea drive despite Britain's warning. Probability of open war is thus increased. Could the U. S. keep out? Watch the NEWS-REVIEW for big news.

Outnumbered Iran Forces Put Up Fight

Allies Racing With Time To Prevent Destruction Of Vital Fuel Lines

By the Associated Press

Armed forces of little Iran (Persia) were reported offering resistance today as British and Russian troops simultaneously invaded the middle east oil kingdom, marching in to enforce demands for the ouster of German agents.

The German wireless broadcast a dispatch from Ankara, Turkey, declaring that "clashes have already been reported from the Caucasus border," the northern point of entry for Soviet troops.

Authoritative London quarters said British forces entering the country from the south had met some opposition, although previously it had been expected that Iran would yield before the overwhelming Anglo-Soviet armies.

Their prime objective was to win a race against time and prevent sabotage and destruction of vital oil pipe lines and fields by German specialists alleged to have infiltrated into the country. Failure of Iran to expel these agents was given by the British as the cause of the action.

Both Russia and Great Britain have given formal assurances that as soon as the German threat was eliminated, their troops would be withdrawn.

Middle east advisers estimated Iran's fighting forces at approximately 190,000 men, composing 19 divisions of 10,000 troops each. Its equipment includes Swedish artillery, a few German tanks and 13 airplanes.

Some British estimates of the total number of German "tourists and technicians" in Iran rose as high as 8,000, although Iranian police declare there are only 590 German men in the country.

Cairo authorities said the most dangerous agent probably was Yunus Bagri, nephew of an Iraqi radio announcer in Berlin. The Moslem kingdom, which derives its present name from ancient Aryana—the land of the

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British Lose Seven Vessels in Convoy

LISBON, Portugal, Aug. 25.—(AP)—Thirteen British merchantmen had arrived in Lisbon today out of a convoy attacked by a fleet of German submarines, and it was reported that seven other freighters and the British destroyer Eskimo, 1,850 tons, had been sunk.

The convoy was attacked off the Spanish coast. The survivors said there originally were only 20 ships in it, compared with German high command claims that 21 were sunk along with three convoying naval craft and three merchantmen in other operations.

British bombers ranged over western Germany again last night.

The Germans declared their own planes carried out widespread daylight attacks ranging from England to the Faeroe Islands.

From German-occupied France new acts of sabotage against railroads in the Paris area and acts of violence against German soldiers were reported in the face of a German order placing the lives of thousands of imprisoned Frenchmen in pawn as hostages for French good behavior toward the army of occupation.

The French blamed communists for the acts.