

Broadened Tax Base Proposed

Lowering Exemptions to \$1800 and \$800 Is Considered

(Continued from page 1)

The controversial request for authority for President Roosevelt to mobilize the national guard in an emergency.

The tax measure, originally intended to raise about \$666,000,000 a year, was revamped by the house ways and means committee in view of recent additions to the defense program. The committee also approved a plan to raise the national debt limit from \$45,000,000,000 to \$49,000,000,000. The new ceiling would be \$1,000,000,000 higher than has been contemplated up to now.

A high official asserted that President Roosevelt's request for power to call out the guard was based upon a possibility that the militiamen might be needed, at short notice, to relieve regular army units which might be sent to emergency trouble spots.

It called to peace-time service, it was said emphatically, the plan was that the guard would be on duty within the United States, while the regulars proceeded to the Panama canal zone, Puerto Rico, or wherever a threat to American security might arise.

Mr. Roosevelt's proposal, sent to congress in his second special message last week, had aroused considerable controversy, and encountered opposition of apparently formidable proportions. It was virtually the only item of the defense program to be so received at the capital.

Mr. Roosevelt elaborated upon last week's message with a letter to Speaker Bankhead requesting appropriations and contract authorizations of \$1,277,741,170, with which to start work on 68 new warships, build large numbers of military aircraft, build new and improve old army and navy air bases, and buy guns, munitions and many other items.

The sum pushed the cost of regular and emergency defense items to \$4,800,000,000.

Late in the day, the house approved a compromise \$1,492,542,750 naval appropriation bill for the coming fiscal year and forwarded it to the senate for ratification of house changes.

In his press conference, meanwhile, Mr. Roosevelt announced the previously expected resignation of Charles Edison as secretary of the navy.

Pendleton Stages Defense Parade

PENDLETON, June 4—(P)—A preparedness parade, feature of a national defense demonstration, was held last night.

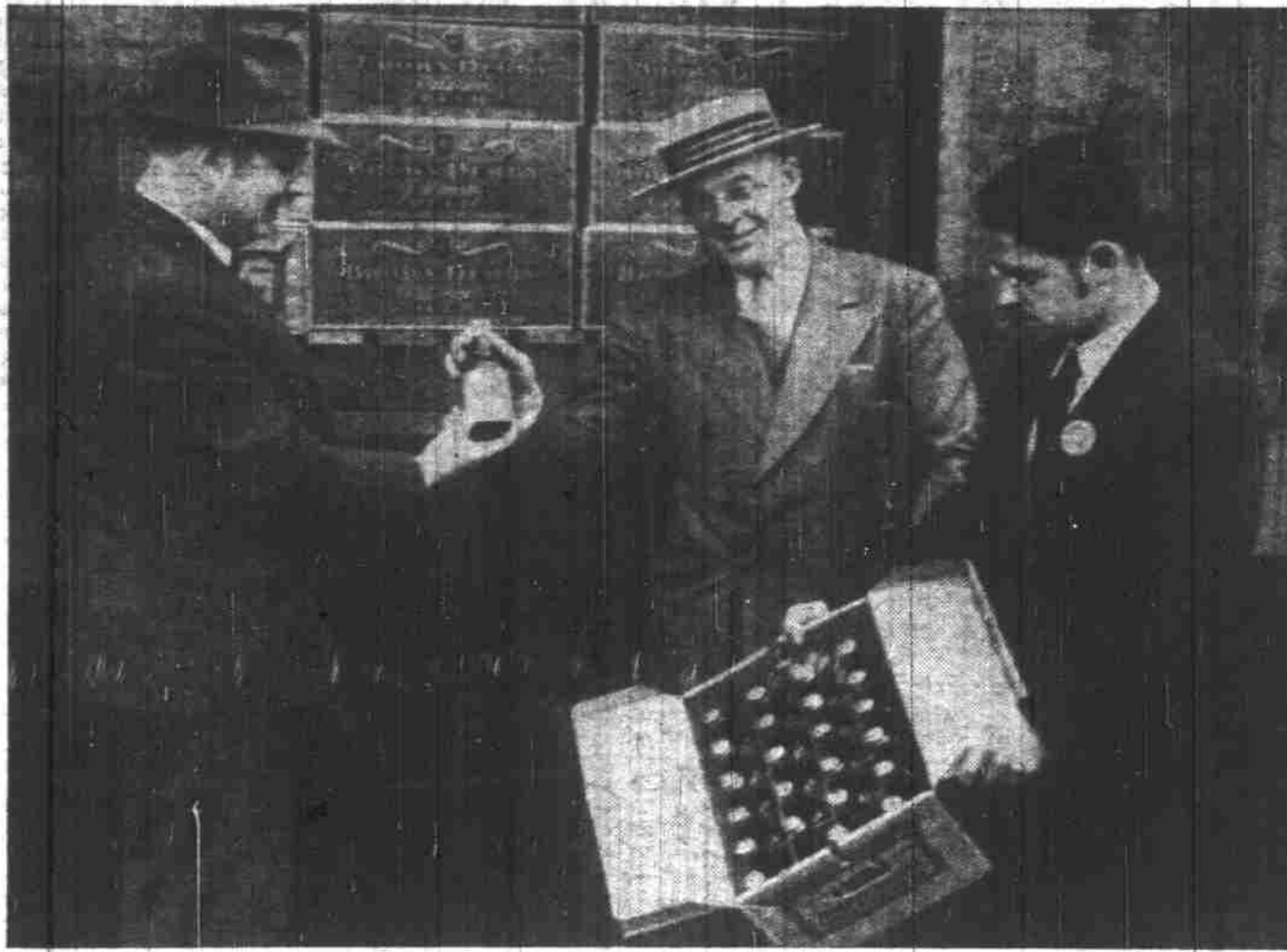
F. B. Aldrich, Pendleton publisher, read resolutions urging strict adherence to the Monroe doctrine, expansion of mechanized fighting equipment, support of the defense program and a selective service act.

Brigadier General Thomas Rilea of Salem expressed the hope that America's national defense would be restored to a proper level by production of fighting equipment.

Man Leaps From Bridge As Police Boat Passes

PORTLAND, June 4—(P)—Ell Huttunen, 54, Portland, leaped from the Burnside bridge Sunday just as the police patrol boat Mulkey passed under the span. Patrolman Charles Jansen said the patrol boat crew pulled the man from the river and charged him with disorderly conduct.

Salem Brewery Wins 175-Carload Contract



Manager George Stackman of the Salem Brewery, left, and District Manager William Howard of the Safeway stores inspect one of the first cases of "Brown Derby" Pilsener-type beer produced for Safeway at the local brewery. With them, right, stands Ernest Kunnay, brewmaster, who will supervise brewing of over 15,000 barrels of the product.

War's Effect on Farmer Outlined

(Continued from page 1)

was under way, "end the unemployment problem and that part of agricultural problem which is domestic" and would "more than make up for the loss of our foreign markets."

"But no preparedness moves of any such magnitude have even been proposed as yet," he continued, "and until such a program is sufficiently under way to have this effect, we must make sure that the farmers and the unemployed are not made victims of the war's interferences with world trade."

Relief Bill Still Just Over Billion

WASHINGTON, June 4—(P)—A \$1,055,000,000 relief bill, said by Chairman Adams (D-Colo.) to be "sprinkled through" with the words "national defense," was reported favorably today by a senate appropriations subcommittee.

The chief national defense feature added to the house approved measure was a section providing noncombatant training for the thousands of youths in the civilian conservation corps.

"Under this proposal, sponsored by Senator Byrnes (D-Sc), the president could order this training when it contributed 'materially to the interests of the national defense.'"

Senators said such training might include operation and repair of motor vehicles; road and bridge building; photography; first aid to injured; cooking; baking; signal communications; and other matters incident to the successful conduct of military and naval activities.

Authority Over Guard Is Opposed by Pro-America

PORTLAND, Ore., June 4—(P)—Oregon chapters of Pro-America, republican women's association, passed a resolution today opposing presidential authority over the national guard and reserve troops without a declaration of war.

Publish Willamette Yearbook



Proud are Editor Dan Moses, left, and Manager Jack Walker, right, of their handiwork, the 1940 Wallulah, Willamette university student yearbook, which came off the press this week. The book is bound in an attractive rough cloth-board finish, with a view of the campus superimposed in green on a warm gray background. Lettering is in red-brown similar to titles on inside pages.

Wallulah of 1940 Issue on Campus

The 1940 Wallulah, annual publication of the students of Willamette university, was distributed yesterday to members of the university student body.

The book, containing 175 pages, was edited by Dan Moses and managed by Jack Walker. It was dedicated to Dean Frank M. Erickson, who retires this year.

The Statesman Publishing company again printed the Wallulah. Photography was done by Kennell-Ellis studios.

Chinese Is Found Dead, Local Hotel

Ah Wing, a Chinese, was found dead in the washroom of the Bellevue hotel about 5 o'clock yesterday morning. He had been a guest at the hotel since Saturday and was ill Monday, but would not accept an American doctor and no Chinese doctors were available.

Coroner L. E. Barrick said Ah had been dead about three hours when found and that death was apparently from natural causes.

Brewery Here Has Big Order

Retained to Supply Special Brand for Safeway's Stores, Revealed

Shipment of the first of 175 carloads of "Brown Derby" brand beer to be distributed exclusively by Safeway stores in Oregon was announced yesterday by George Stackman, manager of the Salem Brewery association, manufacturer of the product.

The brewing association, which obtained the contract to brew over 15,000 barrels of beer according to special formula controlled by the Safeway organization, began work on the first part of the order several weeks ago.

Shipment of additional carloads will occur weekly during the next year, Stackman said yesterday, with some possibility that the order may be increased.

"This contract with the Safeway people will allow us to maintain a \$100,000 to \$125,000 payroll in Salem annually," he said yesterday.

"In addition, all hops used will be purchased locally, and the bulk of the barley malt will come from the Tule Lake region in Southern Oregon."

William Howard, district manager of the Safeway stores, who has located in Salem, said yesterday that the beer will be sold in 245 stores comprising his organization in this state.

"One of our first thoughts," he said, "is to patronize home manufacturing plants. That is one of the reasons why the contract was given to a Salem firm rather than a California brewery, which formerly produced a similar product."

"It is also necessary to state that the Salem brewery was able to meet stringent requirements under which the beer is to be manufactured."

The product itself, Howard said, is a light beer, closely resembling the malt beverages produced at Pilsen in Bohemia, long known for their excellence in flavor and body. It is made according to a European formula kept secret by Safeway, though will be produced locally under the direction of Ernest Kunnay, staff brewmaster at the Salem Brewery.

"We have selected this particular type of beer because experience has shown that it is in greatest demand," Howard indicated.

In addition to the "Brown Derby" product, the Salem concern will continue manufacturing its standard brands of beer for local and foreign distribution, it was stated by Stackman.

Valley Champions Exhibited by Ross

(Continued from Page 1.)

ling bull—Mrs. W. J. Thorpey, Clark county, first; T. J. Law, second; A. G. and Harold Wolfert, Yamhill, third; senior bull calf—Rex Ross, first and second; D. R. Dickie, third; junior bull—Gerald Stucklik, Marion, first; N. V. Shelby & Son, Albany, second; senior champion bull and grand champion bull, Rex Ross; junior champion bull, T. J. Law, Jr.

Cows five years and over—Rex Ross, first; Grant Dodge, second; T. J. Law, third; cows four years—L. S. Lorenzen, first; Rex Ross, second; T. J. Law, third; cows three years—Rex Ross, first; W. D. Warmington, second; cows two years—T. J. Law, first; Mrs. W. J. Thorpey, second; L. S. Lorenzen, third; senior yearling heifer—T. J. Law, first; N. V. Shelby & Son, second; Norman Ross, Silverton, third; junior yearling

heifer—Rex Ross, first; N. V. Shelby & Son, second; W. C. Leth, second; N. V. Shelby, third; junior heifer calf—N. V. Shelby & Son, first; Rex Ross, second; senior and grand champion cow, Rex Ross; junior champion cow, T. J. Law.

Graded herds—Rex Ross, first; L. S. Lorenzen, second; junior herd—Rex Ross, first; N. V. Shelby & Son, second; L. S. Lorenzen, third; breeders' calf herd—Rex Ross, first; N. V. Shelby & Son, second; L. S. Lorenzen, third.

Will Fight on, Says Churchill

Hints Capital Might Be Removed to Canada if Worst Comes

(Continued from Page 1.)

The German occupation of Dunkerque placed the last of the Belgian and French ports of the North Sea and Strait of Dover in German hands, and the Nazis claimed 400 to 500 French planes had been destroyed Monday in the Paris area, "eliminating the enemy air defense." The allied rear guard hung on in Dunkerque even in house-to-house combat until the troop evacuation was completed during the day.

In any event, Churchill told the grave British house of commons in an unsparing report, Britain will fight on, for years if need be, and alone if she must.

Even if the British Isles should be subjugated and starving, he asserted Britain will continue the war from the outposts of the empire until the "new world" comes to the liberation of the old.

Some observers interpreted his words as meaning Canada would become the seat of British government if the worst should come to England.

"But we shall defend our island whatever the cost may be," Churchill said. "We shall never surrender."

Son of Shogun Dies

TOKYO, June 4—(Wednesday)—Yasato Tokugawa, third son of Yoshinori Tokugawa, the 15th and last shogun of Japan, died today of pneumonia at the age of 76, after an illness of several months.

Ballot on Hop Control Near

District Meetings to Be Scheduled by State Advisory Group

(Continued from page 6)

of administrative expenses among hops handlers.

The agreement can be made effective by the secretary of agriculture if handlers of at least 50 per cent of the volume of hops shipped in interstate or foreign commerce sign the agreement, and if issuance of the order is favored by two-thirds of the growers, by number or by volume of production, who vote in the referendum.

C. W. Paulus, managing agent of the hop control board, has called a meeting of the growers' advisory committee for this afternoon to schedule district meetings at which growers will discuss the proposed hop marketing

Barrel Shortage Worries Growers

Portland, Ore., June 4—(P)—Oregon strawberry growers, harassed by lack of pickers at the start of the harvest last month, expressed alarm today over a threatened shortage of barrels.

A strike at cooperative plants here, Tulelake, Ore., and Seattle, limited the output of barrels mainly to those produced by a Tacoma plant where the dispute recently was settled.

The Gresham Berry Growers' association, employing 600 in its processing plant and about 7000 pickers, said through its manager, J. J. Fisher, it was "living from day to day" and might have to close anytime because of the shortage. Other processors said their positions were similar. The Washington Cannery cooperative at Vancouver, Wash., said it needed about 500 barrels a day.

PERSONAL!

Will motorist who complained at way car handled on trip yesterday please ask nearest Union Oil Dealer how Stop-Wear Lubrication will remedy trouble? Amusement only way to express emotion customers feel when they step into car freshly lubricated the Stop-Wear way. Three unique advantages yours with Stop-Wear—one, you see difference in way car looks—glass gleams, tires, running boards dressed, interior, also exterior clean and dusted. Simplest way to that "new car feeling." Two, you hear difference in smooth, quiet operation car has when returned to you. Three, you feel difference in way car shifts, steers, rides. Suggest get in touch with neighborhood Union Oil Station by telephone or in person immediately. Remember, only Union Oil Stations have Stop-Wear Lubrication!

YOUR NEIGHBORHOOD UNION OIL STATION

A New Train to the San Francisco World's Fair!

For chair car and tourist passengers exclusively Daily—starting June 8

The Beaver



BREAKFAST	
25c	
LUNCHEON	
30c	
DINNER	
35c	
Boiled Salmon, Egg Sauce or Hungarian Goulash	Potatoes
Vegetable	Bread and Butter
Tea	Dessert Coffee
	Milk

25c BUYS a good breakfast on the Beaver, luncheon is only 30c and dinner 35c. You can't beat that anywhere! Prices for more elaborate meals and a la carte are proportionately low.



LOUNGE car for tourist passengers is full-length, big and comfortable with easy chairs, refreshments, magazines and radio. Your tourist ticket includes free use of this car.

Southern Pacific

C. A. LARSON, Ticket Agent Phone 4408

SEE HOW LITTLE IT COSTS TO SAN FRANCISCO ON The Beaver



IN CHAIR CARS

One way Roundtrip \$10.45 \$18.85



IN TOURIST PULLMANS

One way Roundtrip \$15.66 \$23.50 Plus small berth charge

America's Flight Leader is Chesterfield with its Milder, Cooler, Better Taste



THE FLAGSHIP CHESTERFIELD, named for the popular Chesterfield Cigarette, leads American Airlines' great fleet of planes across the U.S.A. . . . and right across the country, millions of smokers are getting more pleasure from Chesterfield's milder, better-tasting, cooler-smoking combination of the world's finest cigarette tobaccos.

The Chesterfield combination is the only combination of its kind. That's why Chesterfields really do SATISFY.

BETTER MADE FOR BETTER SMOKING

Every Chesterfield must conform to the one right standard of size and shape for a cooler, better-tasting, definitely milder smoke. Chesterfields are made right in every detail to give you the cigarette that really satisfies. (As seen in the new film "TOSACCOLOAND, U.S.A.")

DO YOU SMOKE THE CIGARETTE THAT SATISFIES