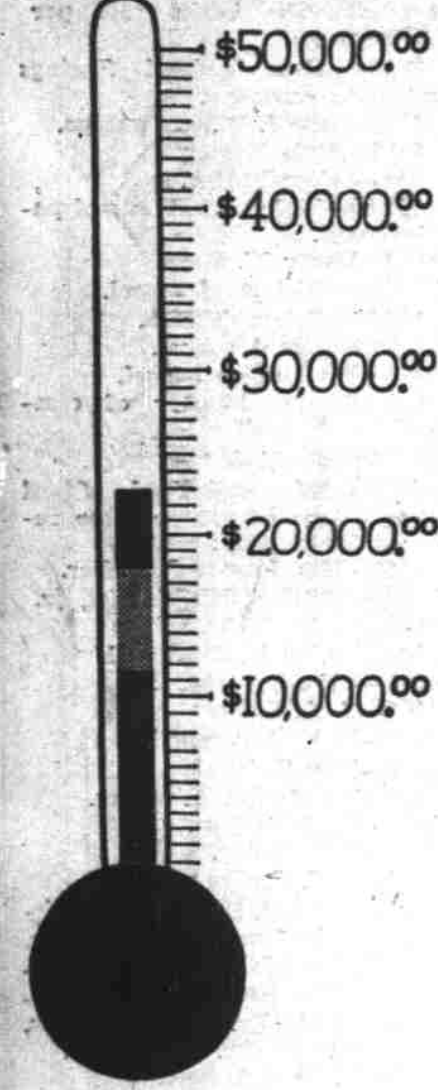


Two syndicated news picture services and a staff photographer serve Statesman readers. For first news in word and picture, read The Statesman.

Fair and slightly warmer today; cloudy with light showers Friday. Max. temperature Wednesday 63, Min. 50. Northwest wind. Rainfall, .23 inch. River -3.3 ft. Cloudy.

US-British Mission Agrees On Russ Aid

Upl Upl Upl



Watch the Community Chest thermometer depict the daily climb in receipts. Shaded line shows funds pledged previous day.

Chest Nearing Halfway Mark

Drive Ahead of Last Year Pace; Increase in Giving Revealed

The halfway mark is expected to be passed today in the Salem Community Chest campaign, for it was only \$2720 "down the road" when the solicitors held their second campaign luncheon Wednesday. Additions to the fund since the Tuesday luncheon amounted to \$4524.75, bringing the total up to \$22,280.75.

The campaign was ahead of the pace set a year ago and Chairman Irl S. McSherry reported that a considerable number of individuals were increasing their subscriptions over those made in 1940. Division reports included:

- Automotive, \$268, total \$2425.
- Contractors, \$724, total \$782.
- General gifts, \$508, total \$4334.
- Government and education, \$375, total \$2956.
- Industrial, \$380, total \$2789.
- Mercantile, \$392, total \$4746.
- Professional, \$1025, total \$3095.
- Utilities, \$696.
- Women's division, \$155, total \$456.

The luncheon was served by members of St. Anne's Guild. Ernest Smith led group singing with Mrs. Smith at the piano.

Twelve Salem firms and institutions Wednesday reported in 100 per cent to Chest officials—the management and every employe or member had sub-

Ranch Liked By Duchess

PEKISKO, Alta., Oct. 1—(AP)—The Duchess of Windsor, considered one of the world's best-dressed women, told a press conference Wednesday she hasn't even thought about clothes for more than two years because "I don't think we've had much time for fashion and that sort of thing since the war."

The Duchess, who received reporters with the Duke, was enthusiastic about the EP ranch where they are staying for the next week or so. She described the 3,000-acre ranch as "absolutely lovely" and said she had been "trying to get acquainted with all the cattle."

Woman Pilot Starts Three Flag Flight

SEATTLE, Oct. 1—(AP)—A dip of her overloaded wings was Evelyn Burleson's signal to Seattle late Wednesday that all was well on the first lap to her non-stop Canada-to-Mexico flight in her light plane.

The Tacoma Miss took off from Vancouver at 2:30 p. m. and flew over Seattle at 4 o'clock. She predicted she would reach Tijuana, Mexico, at about 10 a. m. Thursday.

Home Demonstration Agent Approved By County Budget Unit

Committee Okehs Expenses and Adds Office Rent; all Salary Requests Set for Friday

Services of a home demonstration agent for Marion county, subject for argument between women's groups and county budgeteers in past years, were given approval Wednesday by Marion's budget-makers.

The committee of county court and appointed members approved not only the \$780 budgeted as six-months' operating expenses and for purchase of equipment but added \$45 as rental of office space to be shared with county agent's staff.

Activities of the committee Wednesday were limited largely to trimming, but an item of \$300 to be expended as rent by the county school superintendent's office was added to the 60-page budget document as first step in relieving what county officials declare is a deplorably crowded condition in the 70-year-old courthouse.

Should the item remain after the taxpayers' budget session late this month, funds would be available to provide Mrs. Agnes Booth, county superintendent, with space in the old Salem high school building, leaving the rooms now occupied by her headquarters to the tax-collection department.

That the one room now used by the tax-collection division of the sheriff's office is the "smallest bottleneck in the world" through which more than a million dollars annually flows is the contention of the department.

Henry Mattson, county court clerk, was instructed to prepare for the committee, called to reconvene Friday morning, a list of all current salaries paid and of requests for increases. With minor exceptions all salary decisions were left for the Friday session, which is to be given over entirely to that question, committee members declared.

All requests of the county school superintendent's office, (Turn to Page 2, Col. 2)

Service Clubs Agree on Need For Youth Aid

Need of a spare-time organization for boys from 13 to 17 years of age was agreed Wednesday by child welfare chairman of service clubs called together by the Salem Youth council and NYA advisory council.

They considered uses for the Youth center, nearly abandoned because youths of 18 to 25, for whom it was designed, have been called by defense, according to Mrs. Bertha Ray, president.

The representatives were instructed to explain the idea to their groups and to return to another meeting October 15.

Because "WPA leadership is altogether inadequate," as School Supt. Frank B. Bennett stated, an experienced supervisor, "paid enough to be worthwhile," was felt to be essential. Favor was expressed for placing a supervisor on the city budget, which now furnishes utility expenses for the center.

Chet Nelson, NYA area director, said about 20 boys are finding recreation at the center each night now, in spite of the lack of equipment.

To assure themselves of Salem's need for such a setup, Mrs. Ray appointed a committee to investigate before the next meeting, comprising Doughton, (Turn to Page 2, Col. 3)

Pecos Flood Is Subsiding

PECOS, Tex., Oct. 1—(AP)—Floodwaters slowly receded here Wednesday, but the east end of town was still inundated.

High water was expected to remain several days, and another flood was expected from the New Mexico watershed in about a week.

Farmers estimated that more than 12,000 acres of crops were ruined by floods in Reeves, Ward and Loving counties.

The number of homeless was estimated at 800.

New Lease Fund Gets Approval

House Sub-Unit Okehs Huge Bill; Russ Aid Seen

WASHINGTON, Oct. 1—(AP)—The \$5,958,000,000 second lend-lease fund was approved by a house appropriations subcommittee Wednesday and a short time later Jesse Jones said he would favor Russia "getting the benefits" of the bill.

In submitting his request for the new appropriation two weeks ago, Mr. Roosevelt suggested that the legislation permit him to authorize contracts to supply foreign governments with defense articles, information or services. This would apply to any country whose defense the president deemed advisable to the defense of this nation.

Chairman Cannon (D-Mo) said the appropriations committee had approved the president's request without major change. Jones, the federal loan administrator, made his comment at a press conference at which he announced additional advances on previously-arranged loans to Russia and Great Britain.

WASHINGTON, Oct. 1—(AP)—As another step to reinforce defense of the western hemisphere, the United States Wednesday signed a lend-lease agreement with Brazil, the largest and most geographically (Turn to Page 2, Col. 1)

Army Lands In Iceland

Field Force Arrives With Vast Supplies in Huge Transports

REYKJAVIK, Iceland, Sept. 17—(Delayed)—(AP)—A field force of the United States army—infantry, artillery, and engineer, signal, ordnance and medical units—has arrived here with vast supplies of equipment and materials to make this one of the most formidable fortresses of the north.

The Americans brought with them their commander, Major General Charles H. Bonesteel, called "some interesting equipment"—skis, snowshoes and Garand automatic rifles for every man—to take over camps built by United States marines and British forces.

Major General H. O. Curtis, commander-in-chief of the British forces and general officer commanding the British troops on the islands, continues in command of all soldiers, including the American contingent.

General Bonesteel, a lean and lanky veteran of the last great war, said aboard one of the transports:

"We are here for hard and serious business. I want to impress that on everyone. There is no time for fooling."

The American disembarkation was carried out with precision.

Nazi Boats Blasted

LONDON, Oct. 1—(AP)—A squadron of Britain's new four-cannon Hurricanes blasted apart an attack formation of eight German motor torpedo-boats off the French coast Wednesday night, the air ministry announced.

New US Taxes Prove Puzzle to Some Salem People

By K. MORROW

While Salem tire dealers took inventory of their floor stocks, women remarked about the increased price of cosmetics and civic leaders argued over the waiving of the exemption on charitable functions, deputy collectors of internal revenue at the Salem postoffice building were busy Wednesday answering the questions of puzzled individuals.

All this woe and worry, this debate and comment was the direct result of the \$3,500,000,000 federal tax bill effective October 1 which not only raises the cost of automobiles and luxuries but reaches persons who pay admis-

These Men Conclude Soviet Aid Pact



Here are members of the British and American and Russian delegations who concluded an aid pact with Russia today. Left to right (foreground): Lord Beaverbrook, British supply minister; W. Averell Harriman, head of the US mission; G. A. Omansky, Russian ambassador to the US; A. Y. Vyshinsky, deputy people's commissar for foreign affairs. This photo was sent by radio from Moscow to New York, wired to Chicago, and airmailed to The Statesman.

United Submits Airport Deal

Lease for Building Scanned by Mayor; Plans Revealed

United Airlines' proposed lease for facilities in a city airport administration building and use of the municipal field for landing purposes, brought to Salem Wednesday by airline officials, may not reach the city council before October 20, Mayor W. W. Chadwick said Wednesday night.

The lease proposal, containing a variety of scales and schedules, begins at \$100 per month with a minimum of two schedules north and two schedules south each day, Chadwick said. Handed over to Lawrence Brown, city attorney, the contract may be sent back to United's offices for change before presentation to the council if it does not meet ordinance or other legal requirements, Chadwick said.

However, with Tom Armstrong, chairman of the city council's airport committee, and Harvey Hancock of San Francisco, assistant to United Airlines' president, the mayor plans to go to Seattle on Tuesday, October 7, there to confer with CAA and WPA officials in an effort to have completion of (Turn to Page 2, Col. 7)

Road Projects In Valley up For New Bids

Four mid-Willamette valley projects are included in a list of 18 road jobs on which the state highway commission will take bids in Portland October 16 and 17, it was announced at the commission offices here Wednesday. The 18 projects are estimated to cost \$850,000.

The local projects: Construction of two frame cabins for employes at Santiam Junction patrol station in Linn county.

Grading and paving of 2.22 miles of the Illabehe-Steiner hill section of the Pacific highway east in Marion county.

Construction of 76-foot reinforced concrete viaduct near Grande Ronde in Polk county.

Furnishing 15,000 cubic yards of crushed rock in stock piles on the Wren rock production project on the Corvallis-Newport and Kings valley secondary highways in Benton county.

World Series Nazis Execute Czech Premier

BERLIN, Thursday, Oct. 2—(AP)—Premier-General Alois Elias, 29 retired generals, and an unstated number of other Czechs fell before firing squads Wednesday in the German protectorate of Bohemia-Moravia, making a total of nearly 100 executions in four days.

The German gestapo grilled 285 other Czechs suspected of treasonable activities including industrial sabotage and an attempt to overthrow the protectorate, it was announced.

The German news agency DNB said that General Elias "acknowledged his guilt" in Prague before being led to the execution wall.

Since the deputy gestapo leader, 37-year-old Reinhardt Heydrich arrived in Prague to take charge and the arrests, trials and executions began, only five Czechs have been acquitted.

Adolf Hitler has raised Heydrich to the rank of a general of (Turn to Page 2, Col. 5)

Board Orders Multnomah to Quit System

Retracting an earlier order for the abandonment of Multnomah county's system of assessing property on a variable ratio basis, the state tax commission Wednesday directed the Multnomah board of equalization to rescind a recent order for a return to the old system.

The commission order citing statutory authority for its action, decreed that in event the Multnomah board failed to comply by Friday, the state board's instructions should be carried out and the local board's ruling disregarded.

The Multnomah assessor was directed to readjust his March 1, 1941, assessed valuations as follows:

Reduce assessments on buildings and structural improvements that would have been assessed in 1940 at 30 per cent of appraised or estimated true cash value by 25 per cent from 1941 assessed valuations.

Cut assessed valuations on buildings that would have been (Turn to Page 2, Col. 7)

Blasted Ship Calls for Aid

CAPE ELIZABETH, Me., Oct. 1—(AP)—Maritime circles reported an SOS late Wednesday from an unidentified freighter, which radioed it had been "torpedoed by submarine on surface" off Ireland.

A rebroadcast of the call from a Canadian station at Camperdown, Nova Scotia, led to first reports that the call came from a point off the Canadian coast.

Will Swap Munitions For Goods

Conclave Closes Quickly; Allies to Speed Help

MOSCOW, Thursday, Oct. 2—(AP)—The United States and Great Britain agreed to fill virtually every soviet need for war supplies in exchange for mountains of Russian raw materials at the concluding session Wednesday night of the three-power conference.

The conference closed two days ahead of schedule after only three days of sessions—probably the shortest international council of such dimensions ever held. A communique issued by the British and American delegations and one by Russia announced its results.

For the United States and Great Britain, W. Averell Harriman and Lord Beaverbrook promised: "To place at the disposal of the soviet government practically every requirement for which the soviet military and civil authorities have asked."

In return, said the communique issued by Harriman and Lord Beaverbrook, "the soviet government has supplied Great Britain and the United States with large quantities of raw materials urgently required in those countries."

Arrangements were said to have been made to "increase the volume of traffic in all directions."

The United States-British communique declared that Premier Stalin "expresses his thanks to the United States and Great Britain for their bountiful supplies of raw materials, machine tools and munitions of war" and acknowledged "the ample supply of Russian raw materials from the soviet government."

The communique ended with this statement: "In concluding its session the conference adheres to the resolution of the three governments that the final annihilation of nazi tyranny, a peace will be established which will enable the whole world to live in security in its own territory in conditions free from fear or need."

The soviet communique stressed the "atmosphere of perfect mutual understanding, confidence and good will" and said the delegates were "inspired by the eminence of the cause of delivering nations from the nazi threat of enslavement."

Stalin, it said, "took an active part" in the conference which (Turn to Page 2, Col. 3)

Island Base May Employ City Workers

Probably from 15 to 20 Salem workmen will be recruited for work in the Pearl Harbor naval base at Honolulu, W. H. Ballie, Salem office manager of the state employment office, said Wednesday after nearly 100 men were interviewed by examiners of the civil service commission.

Ballie said 40 men were waiting to apply for positions as skilled workers or laborers for the naval department.

Among examiners here was Cornelius Bateson of Seattle, a graduate of Willamette university,

performances at half price. Children under 12 will pay a tax only if their established price of admission is 10 cents or over, Lynch explained.

Purchasers of playing cards, users of safe deposit boxes and dealers in distilled spirits and wines are not forgotten in the law and proprietors of cabarets and root gardens will also find it well to look in the new regulations.

Club officials will find that their dues, membership and initiation fees over a certain figure are hit and, while automobile and truck dealers have long been considering how the new tax will affect their business, merchants handling such articles as musical in-

struments and mechanical refrigerators will not escape.

Nor will sporting goods, luggage, photographic equipment, business and store machines and optical equipment be exempt. If mildly a answers her husband's questions about the increased cost of her jewelry, fur and toilet articles by pointing to the retailer's excise tax he may in turn point out that he is not doing more bowling or playing of coin-operated amusement and gaming devices than before but that, instead, he is feeling the effect of the 10 tax levied on every person who operates a bowling alley, billiard or pool room except in a private home.