

Our boys of Salem and vicinity are in uniform with Uncle Sam over the face of the globe. Follow them daily in The Statesman's 'Service Men' column.

US Airmen Sink Jap Cruiser in Aleutians

Italians Claim Sea Battle; Hitler Armies in Great Effort on Pincers Front

Salem Council Elects Member, Deletes Bonus

Budget Bill Receives Two Readings, New Amendments Slated

Salem city councilman Monday night cut a \$50 bonus from the monthly salary of the city engineer, made official the granting of their chambers as an office to the city-county rationing board, sold a \$40,000 issue of refunding improvement bonds, established a grass cutting fund, and over accusations of "railroading," elected Dr. M. E. Gadow to the ward seven post left vacant by the resignation of James M. Clark.

Snarling occasionally over what they declared were implications they had not intended when they authorized a cut in next year's budget, they let pass for its first two readings an ordinance to reorganize the offices of city engineer and building inspector into a joint setup under control of the engineer, but declared they wanted the matter studied before it comes to a vote two weeks hence.

Scheduled for a vote at that time also, when public hearing on the matter has been called, is the proposed city budget, passed Monday night for first two readings. Only technicalities barred presentation of amendments to that document, which would have put back into the expenditure side of the sheet \$3365 and have lopped off \$4500. Alderman Lloyd Rigdon stated following the session. The amendment will be presented two weeks hence, he said.

Sufficient votes are assured to carry the amendment, he said, explaining that the additions would include \$1000 of the larger sum cut from the city library, \$500 to the emergency fund, the money cut from the city attorney's stenographer's salary and some assistance in what he termed the "already short-handed street-cleaning department." Deletions, he said, would be asked in the street lighting fund, which under present conditions, he declared, would not be utilized in full and from the bridge fund, maintaining that the money budgeted for bridges could not be expended for them.

Voting to notify an applicant for refund of the city's \$5 liquor license fee that the money was for investigation in securing the license and not for the license itself, which the city has no authority to issue, the council declared it time to establish a policy in the matter. In preceding incidents the money has been refunded, but aldermen explained that there had been other questions involved which would have made refusal to return the fee apparently a type of persecution. No personalities were involved this time, it was declared, and the policy would be in effect.

In accord with his contract of last year with Architect Lyle P. Bartholomew, the council authorized payment for his services in preparation of plans for an airport administration building, now fully approved but apparently not to be built during the war. The building plans call for expenditure of \$37,000; Bartholomew's pay, at 60 percent of 5 percent of the total cost, would amount to \$1110.

The \$50 allotted to the city engineer's monthly salary from the sewage disposal bond funds for extra work involved in preparation for and construction of the proposed plant, now by general agreement apparently not to be built until the close of the war, was canceled from that salary without any argument, by resolution.

After the council had voted permission to the city-county rationing board to use city hall council chambers as an office, expenses to be borne jointly by city and county at summer rates, Alderman L. F. LeGarde urged that the search for "more suitable quarters" be continued. Stairs to the council room are difficult, he declared.

Radio Announces Two British Cruisers Sunk in Big Convoy; Libyan Decision Said Near

ROME (From Italian Broadcasts), June 15.—(AP)—A violent battle raged through its second day in the Mediterranean Monday as Italian warplanes pounced upon "remaining enemy units" of one of two huge British convoys which the high command declared had already lost two escorting cruisers and a destroyer and suffered great damage to an aircraft carrier, a battleship and three other warships in an effort to break through from the Atlantic.

(British quarters in London had no comment to make on the report which so far had come entirely from axis sources.)

The convoy, declared by Il Giornale d'Italia to be the biggest ever sent into the Mediterranean by Britain and said to consist of about 30 units—a battleship, two aircraft carriers, four cruisers, 10 destroyers and 12 to 14 transports—was believed bound for Alexandria or Malta.

Twenty Italian planes were lost and 15 planes which rose from the two defending carriers were shot down, the Italians said.

LONDON, June 15.—(AP)—On battlefields 1500 miles apart Adolf Hitler's armies smashed across the tortured sands of Northern Africa and Russia's wreckage-littered Ukraine Monday night in a supreme effort aimed eventually at closing a vast pincers about the coveted oil fields of the Middle East for which his need grows daily.

These coordinated thrusts toward the great land bridge between the Caucasus and Suez, an area producing a seventh of the world's petroleum supply, appeared to be the opening phases of a campaign on which the nazi Fuehrer is expected to gamble everything for victory in 1942.

In the Libyan battle, on which hangs the fate of Egypt, the Germans were hammering at the approaches to Tobruk and the Italians claimed they had smashed through to the Mediterranean to isolate South Africans west of Ain El Gazala, plainly a dangerous threat to the allies.

There the British eighth army counter-attacked up and down the fluid desert line in a series of blows designed to thwart Marshal (Turn to Page 2, Col. 5)

V. A. Douglas Changes Task

County Health Officer Commissioned, Takes Civil Defense Post

Dr. Vernon A. Douglas, for the past 14 years director of the Marion county department of health, has received a commission as surgeon in the reserve of the United States Public Health service. He has been appointed by Dr. Fred T. Foard, San Francisco, regional medical officer, as medical officer for Oregon civilian defense.



DR. V. A. DOUGLAS

He took over his new duties Monday and his office will be located in the state civilian defense headquarters. Dr. Douglas has been serving as state medical officer on a volunteer basis since his appointment by Gov. Charles A. Sprague in March. As medical officer for Oregon civilian defense, he will be in charge of all medical matters connected with the state's defense program. (Turn to Page 2, Col. 1)

Scrap Rubber Starts Trek

Most Adults Refuse Payment; Basements Yield Material

WASHINGTON, June 15.—(AP) Boy Scouts bearing baskets of old rubber heels, housewives with discarded hot water bottles and farmers toting old tractor tires flocked to the nation's filling stations Monday in a collection drive designed to help offset Japan's blows at the United Nations' rubber supply.

The campaign was started on orders of President Roosevelt, and on its outcome may depend the question of whether a nation-wide system of gasoline rationing will be instituted to save tires.

Filling stations were authorized to pay a penny a pound for the scrap, but many people contributed it without charge. "Early returns indicated the campaign will be an outstanding success," said William R. Boyd, Jr., chairman of the petroleum industry war council.

At New York, however, Sol Herzog, counsel for the Eastern States Gasoline Dealers association, said he believed the initial collections were slow because "this was dumped on the dealers so quickly and without preparation they were unable to make any plans." He added few gasoline stations were equipped with scales to weigh rubber.

Many communities planned house-to-house canvasses by Boy Scouts and school children to make sure contents of garrets and cellars were thoroughly combed.

The Seattle Goodwill Industries, a philanthropic organization, had a head start with five tons of scrap rubber collected in recent weeks. Salvage stations reported scarcely any adults would accept payment. Children trying to earn pin money scoured neighborhoods with their play wagons.

Salem service station operators, used to selling auto tires—before rationing—assumed their (Turn to Page 2, Col. 6)

Plus \$25,000 Tax Is Urged

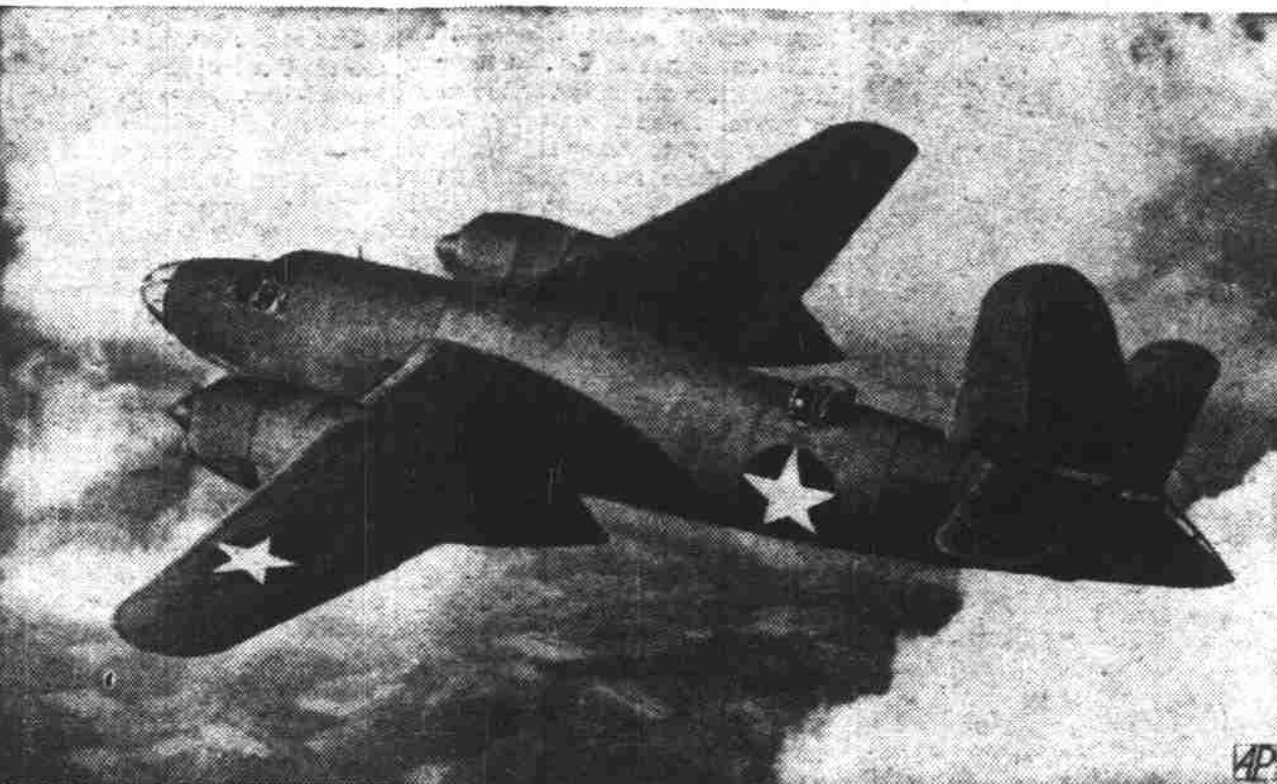
WASHINGTON, June 15.—(AP) Super-levies to take from single persons all income over \$25,000 after payment of regular taxes and from married couples all above \$50,000 were formally recommended by the treasury Monday with the declaration that a nation at war cannot afford "luxurious living for a few."

The idea of such a wartime tax was first advanced by President Roosevelt in his April 27 message to congress outlining his anti-inflation program. Monday, Randolph Paul, tax adviser to Secretary Morgenthau, laid the specific plan before the house ways and means committee.

Lutherans at Albany

ALBANY, June 15.—(AP)—The 29th annual Oregon-Washington conference of the Lutheran church will open here Tuesday with delegates from Alaska, Idaho, Washington and Oregon in attendance.

Makes Good News in Pacific



The Martin B-26 US army bomber was credited Monday with the sinking of a Japanese cruiser operating near the Aleutian islands. Four of the ships were used in the attempt to drive the enemy from the area, and their hits included one on a carrier. The B-26 is a medium bomber with a total of 3700 horsepower, range of 2000 miles and speed in excess of 350 miles per hour.

Reds Hold Germans on Two Fronts



Huge axis forces, outnumbering Russians in some instances as much as five or six to one, slashed at the 15-mile deep defenses of Sevastopol (A) on all sides in the first general offensive against the Crimean port since last December, but soviets reported their army holding ground. The Germans were said to have driven wedges in red army lines at some points on the Khar'kov (B) front by repeated onslaughts. Dotted arrows indicate how Germans hope to apply a pincer to Rostov, and from there strike at ports of Astrakhan and Batum. Solid arrows show where main nazi armies are now trying to strike eastward. A Reuters correspondent reported seeing three US bombers at Ankara (1), Turkish capital.

Gill Praises Farm Unions

Apparent Failure of Dairy Unionizing Said Pleasing

MILWAUKIE, June 15.—(AP) Ray W. Gill, retiring master of the Oregon state grange, Monday lauded the "apparent failure" of an attempt to unionize Oregon's dairy industry and said, "If there is to be a ceiling on farm prices there should be a ceiling on labor and industry."

Addressing the 69th annual convention of the state grange, Gill said he was "pleased to note" that the attempt of John L. Lewis' United Mine Workers to organize dairymen did not have the national or state support of the AFL and the "regular branch of the CIO."

Observing that unionization had failed to make much headway, he predicted that "the astonishing strength and speed with which the farm and cooperative organizations of the country united in opposition to the movement of Mr. Lewis' ought to settle this question for a long time."

If farmers expect to make progress through unionization, they should join the national farm groups and cooperatives, Gill said.

He said the war emergency was no time for strikes or unreasonable demands and urged that restrictions on labor's hours be relaxed to attain full production. "What we say of labor we say with equal force to business and professional men," Gill declared. Gill, master of the state grange for 10 years, will be succeeded by Morion Tompkins, former state overseer, who will be installed Friday night as the convention closes. Secretary of State Earl Snell predicted the Pacific northwest will have great industrial development which will provide larger markets for agricultural commodities.

Lost on Carrier



Warren William Page, 18-year-old son of Mr. and Mrs. E. B. Page of Salem Heights, who was reported missing in action after the battle of the Coral Sea. He was on the aircraft carrier Lexington, having been assigned to it in May, 1941.

Mrs. Wright Reelected

Mrs. David Wright was reelected to the board of directors of Salem school district No. 24 Monday after an election held that afternoon. A comparatively light vote of 74 ballots was cast with Mrs. Wright, only announced candidate, receiving 71. Two write-in candidates, Percy Cupper and L. M. Flagg, received two and one votes respectively. Mrs. Wright has served as a director for several years and at the present time is chairman. Otis Hoppes was chairman of the election board.

Oregon Labor Said Example

State Federation Opens Annual Meet; Salem Men Elected

MARSHFIELD, June 15.—(AP) Oregon State Federation of Labor leaders told their 40th annual convention Monday that Oregon labor's strikeless war production is "an example for the nation" and the federal proposal to freeze workers in their present jobs holds an "alarming" threat.

President Paul E. Gurske said not a single day has been lost because of strikes in the state's war industries, operated on a union shop basis.

"The desirability of that type of operation and acceptance of the principle of collective bargaining have here been demonstrated as the most efficient method for industry," he said. Executive Secretary D. E. Nickerson predicted that the AFL will intervene if the manpower commission's freezing plan proposes a system "which would be unjust to union labor and would lower efficiency in the placement of labor."

A flood of resolutions was introduced during the opening sessions. They included: 1. Treating conscientious objectors as aliens and deserters and making them ineligible to work for \$2.50 a day.

2. Favoring the Brown amendment to the Hatch act to permit teachers to participate in politics.

3. Making civil service status mandatory for state, county and municipal employees.

4. Seeking amendment of the unemployment compensation law to include employers with a quarterly payroll of \$150, with one or more employees. Nickerson, in his annual report, said that "one phase of the freezing process—that of requiring all (Turn to Page 2, Col. 3)

Seven Warships Damaged; 3rd Win in Making

Words Scarce on New Blows Against Alaskan Invaders; Aircraft Carrier Struck

JOHN M. HIGHTOWER

WASHINGTON, June 15.—(AP)—Striking again at the Japanese, this time far north in the Aleutians, American air power has sunk at least one cruiser and damaged seven other vessels, including an aircraft carrier, it was officially disclosed Monday night.

The blows were delivered against a Jap force striving desperately to break into the western hemisphere by conquering a few bleak islands far out in the northern Pacific.

While officials refrained from making any decisive claims, it appeared to many authorities that a third great American sea-air victory was in the making

Vessel in Gulf Victim of Subs

5 Reported Sinkings Boost Atlantic Toll Of War to 270

By The Associated Press

Deadly axis U-boats have crept back into the gulf of Mexico, free from underwater raiders for two weeks, the navy reported Monday night in announcing the sinking of a large Panamanian merchant vessel.

Blasting of this ship and four others elsewhere boosted the announced sinkings in the Atlantic and adjacent waters to 270 since Pearl Harbor.

In addition the navy authorized an announcement of the disappearance of the New Orleans freighter Miraflores of the Standard Fruit and Steamship Co. The 2158-ton ship sailed from Haiti February 14 for New York and has been unreported since. She carried a crew of 34.

The other four ships torpedoed were an American merchantman, a small US merchant vessel, the Norwegian tanker South Africa and an unidentified craft. At least 186 seamen were rescued from these four and the Panamanian merchantman and at least nine were killed.

Only one life was lost when a submarine sank the ship in the Gulf June 11 and 58 sailors were saved. Survivors reported two quick torpedoes caused the ship to list so badly that its deck gunners were unable to fire.

After a submarine sank the small US merchantman off the south coast of Cuba June 7, one of the U-boat crewmen dived into the water and picked up a life preserver to establish the identity of the victim. The torpedoing cost six lives and 27 men were rescued.

Survivors of the larger American merchant craft, sent to the bottom June 1 south of Cuba, twice out-argued would-be res-

Senate Okehs Family Help

WASHINGTON, June 15.—(AP) The senate speedily approved Monday legislation to aid the families of service men through a system of pay allotments and government grants.

The measure, which now goes to the house, clears the way for the drafting of husbands and fathers who are family breadwinners if army and navy needs should require it. One of its provisions, however, authorizes the president to direct draft boards to take into consideration a man's family relationships when the question of inducting him arises.

Sunday's Weather

Weather forecasts withheld and temperature data delayed by US army request Sunday's max. temp. 74, min. 52. River Monday, 2 ft.

No Draft

PORTLAND, June 15.—(AP) Carl Herbig, 48, chairman of the Jefferson county selective service board, made certain he wouldn't have to draft himself. He enlisted in the navy.

HOW WAS FATHER'S DAY CONCEIVED?



It was a Mrs. John Bruce Dodd, 'way back in 1909 in Seattle, Washington... seems her Father was a swell guy. In addition to the everyday kind of goodheartedness he shared with most Fathers... his concessions that the living room rug was no ash tray, and his yielding of the family horse-and-buggy to the kids for a date (sometimes)... he must have had something unforgettable, singular, or even great, about him. Looking back, after she was married, Mrs. Dodd resolved to honor her Father with something no one seems to have thought of before... a national holiday dedicated to ALL Fathers. So there you have it... in 1909 Father's Day came into being.