

By KIRKE L. SIMPSON Wide World War Analyst for The Statesman

Foreboding dispatches from Moscow on battle trends in the Caucasus are fully warranted, although they do not tell all the

tecting the Maikop oil field and

Russian communications with

the red fleet in the Sea of Azov,

miles south of the areas where

tions although admitting an

enemy break-through and furth-

er Russian retreat. There is

every indication, however, that

the Russian advices describe

events of two days or more ago

and afford no true picture of

more recent and ominous de-

The situation for Russian

troops on the left flank is bad

enough, even by Russian reports.

it is actually critical if the Ger-

man version is accurate. The

line of the Kuban has already

been invested, if not turned to

loose German armored spear-

heads westward below the river

and in the rear of retreating

Russian forces racing desperate-

ly southward to escape entrap-

The Kuban west of Kropot-

kin, which the Germans say

they have captured, still offers

possible refuge to Russian

forces now north of the river

in the triangular northwestern

corner of the Caucasus be-

tween the Azov Sea coast and

the line of the Rostov-Baku

railway. That line and its par-

alleling oil pipeline from Baku

So far as nazi strategic designs

in this critical area can be dis-

cerned, they are following an ex-

pected course. The great bend of

the Kuban seems virtually in

German hands and doubtless

Russian scorched-earth crews

are standing by to blast the

a moment's notice. Even its cap-

ture will not soon fill the tanks

the Russians lies in the fact that

to reach any of the three great

oil areas of the Caucasus Hitler

must now fight among moun-

tains peopled with hardy tribes-

men familiar with every trail

West Salem in

Housing Area

(Continued From Page 1)

in Salem has promised a bus stop

It had been rumored widely in

Johnson, who addressed build-

ers, building material men and

others interested at the cham-

ber of commerce Wednesday

night, said "upwards of 200

units" of housing had been al-

located to the Camp Adair area.

No separate quotas for each

community around the camp

production board requirement that

houses built under the defense

materials, or employes of the fed-

eral government engaged in war

SAN FRANCISCO, Aug. 5-(AP)

Two senators en route to Alaska

to investigate the military situa-

tion there said Wednesday night

they agreed completely with Com-

mander Tashiro, Japanese naval

spokesman, that the enemy's oc-

cupation of Aleutian outposts con-

stitutes "a real and direct threat"

"Occupation of three or more

subcommittee assigned to make

"Throughout the history of the

war they have taken something

that was unprotected and then en-

that they couldn't be budged.

trenched themselves so strongly

the inspection trip.

Senators Declare

Enemy's Threat

In Aleutians

Johnson emphasized that

have been prescribed.

West Salem that that area, many

and bypath.

cross the river at Kropotkin.

velopments.

Berlin announces that the Kuban river, main barrier pro-

Gasoline Plan **Choice Nears**

Two Proposals Said to Be Mileage Check and Nation-Wide Ration

WASHINGTON, Aug. 5-(AP) The problem of keeping tires on the nation's wheels resolved itself Wednesday into a choice between nation - wide gasoline rationing, long supported by the office of price administration, and a system of "mileage rationing" and speedometer checkups, advocated by the office of defense transporta-

A war production board spokesman, who declined to permit use of his name, said these were the only two plans before the board, which debated the question for four hours Tuesday and whose chairman Donald Nelson forecast a decision in two weeks.

Although ODT kept mum about details of its plan for rationing mileage, there were apparently reliable reports that the scheme called also for "gasless Sundays" or some other form of restriction on hours of selling gasoline to discourage pleasure driving.

Other essentials of the planas divulged by sources outside ODT but not denied by that agency-included the issuance of "certificates of necessity" to all drivers outside the present ration

These would specify, in addition to a basic minimum mileage allowance, additional mileage reckoned on actual vocational needs. Speedometer readings would afford the check on actual miles of travel, but whether the government would undertake such checkups or rely on affidavits from motorists was not disclosed.

OPA officials, bearing in mind the wide-spread violations which occurred under the east coast's "honor system" of gasoline rationing, held that the ODT plan could not possibly be as effective as country-wide rationing of motor fuel, for the simple reason that it appeared to rely heavily on voluntary compliance.

An ODT spokesman countered: "We think it is enforceable." But he said he could not commen

The plan was developed, WPB officials said, as a substitute for cause the chamber of commerce nation-wide gasoline rationing. which in June was so close to there, Johnson said. adoption that OPA had quietly scattered 300 field agents through the country to set up the ma- of whose business firms helped chinery. These were called in underwrite the Salem chamber's when President Roosevelt indi- bus program, was not included in cated disapproval of the drastic the new housing area. measure at that time and ODT experts were set to work developing an alternative scheme.

Night Raiders Hit Germany

(Continued From Page 1)

objectives in occupied territory, and fighters and fighter-bombers returned to the attack this morning in clear weather.

Improved British anti-aircraft devices bagged six bombers Tuesday out of a small enemy force ranging over southwest England and south Wales.

Two German fighter-bombers dropped explosives and machinegunned a west country town from roof-to altitude Wednesday eve-

working class residential area suffered the most damage there. Casualties included a number trapped in debris.

Body of Missing Flier Located

TACOMA, Aug. 5 -(AP)- Army officials at McChord Field announced Wednesday night that the body of Lt. Col. C. K. Bowen, missing since Saturday afternoon, to the American mainland. was recovered Wednesday afternoon by an army searching party.

The body and wreckage of the plane were found on Haystack mountain, east of Mount Bourne, Wash. Army pilots first located the wreckage Tuesday, and the searching party left immediately for the scene.

Joins Coast Guard

PORTLAND, Aug. 5 -(AP)-Clinton C. Deyo, Salem, has enlisted in the coast guard reserve and been assigned to the Bonneville said just what I've been saying hall on the rear of the courthouse training station, H. J. Bourg, re- all along." training station, H. J. Bourg, re-eruiting officer, announced WedSenator Burton (R-Ohio), congrounds. The memorial building office said Mozet was crushed be-tween a crane and a wall of a

Raid Wardens **Enforce Dimout**

Willful Cooperation Sought; Fines up to \$5000 Provided

(Continued From Page 1) educating the public as to what the dimout entails.

Those in the oceanfront areas where the dimout applies even to residential lighting are to be supplied with placards detailing the regulations to be posted "in conspicuous places" and with pamphlets of the same type "to be disor occupants of property which appear to be affected by the proclamation."

"The American people are up against the stern fact of war," Sheppard said. "We may be exhas been reached on a wide pected to endure harder and hardfront and crossed at some points. er measures. This is an example The nazi bulletins place the of the privileges which the Amerifighting front from 50 to 100 can citizens yield in wartime in order to establish firmly for the Moscow tells of continued ac- future the vital elements of American life

"Ninety per cent of the population has realized and complied with the effective light measures which have existed on the Pacific coast. In that compliance we have proved that even in war, civilians, every man and woman, can shoulder the obligations as much as if they were soldiers in uni-

At a press conference following the board's meeting, Sheppard said public willingness to cooperate with the order appeared completely encouraging.

"We haven't had a single squawk from commercial or other interests so far," he remarked. "Everyone seems to think it is a job that must be done."

The OCD official made note, however, that full authority is present to penalize any person found guilty of willfully violating the proclamation. A person so convicted may be excluded from the territory of the western defense command and, under an act of congress passed last March, may be fined up to \$5000 and imprisoned for as much as a year.

Some interviewers told Sheppard they had been receiving calls from people saying "Why not have a complete blackout

and be done with it?" The answer, Sheppard said, is that "tactical reference points are more discernable in blackout than in dim-out conditions."

By the time the order becomes effective the civilian defense board expects to have special signs posted in highway areas ment's case and the final arguof nazi warcraft of land, sea or visible from the sea, within ments, shook his finger at Pelley which motorists may use only The most hopeful outlook for their parking lights at night, or lights so adapted that their beam try. You stabbed your country in does not exceed 250 candlepower. "No person should undertake to with a foreign foe." enforce the provisions of the proclamation by direct action involving any force, violence, breach of the peace or damage to expressly authorized by military With Spain property unless specifically and or judicial orders," the board's

regulations cautioned. "Reports of violation of the provisions of the proclamation should be made to officially constituted law enforcement agencies of the federal, state or local governments."

Sheppard called particular attention to a phase of the proclamation extending the field of shoreline dimout regulations beyond that established last spring. Under the new order, the same provisions which have applied heretofore only to the actual ocean front are extended into the straits of Juan de Fuca to and New York by CBS: including the city of Port Townsend, Wash.

Young Boys Admit Thefts

(Continued From Page 1)

bottles to sell; Capitol Dairies; program's special priorities must be reserved for defense workers. Sears Roebuck, obtaining hunting President, Queen He defined defense workers as knives, and Fred Meyer, two onemembers of the armed forces, dollar bills. employes of firms holding direct The boys denied entrance into or subcontracts for producing war

my other houses or stores. The elder boy is being held in the Deaconess hospital until his mother can find a suitable boarding school to place him in, and the other two were turned over to the custody of their parents. All three will be brought before the juvenile court for a hearing.

Access to most of the places vis-

ited by the threesome was gained

Junction City Stores Damaged by Blaze

through windows.

JUNCTION CITY, Aug. 5-(AP) Fire damaged a bakery plant and electrical plant here early Wednesday. The blaze, believed to have started in the Junction City bakery, destroyed all the equipment Aleutian islands by the Japs is in that plant and spread to the typical axis strategy," declared Nelson-Tofthdal electrical supply yards to conserve rubber. Senator Wallgren (D-Wash), shop next door, damaging supplies member of senate military affairs and equipment.

Congestion Relieved

spoke of a threat to our mainland, the remodeled legion memorial yard of Kaiser Company, Inc. curred in his colleague's opinion. place for veterans' organizations. machine shop.

Cavemen to Sell Crater Interest

GRANTS PASS, Aug. 5 -(AP) Famed Crater lake may be asked to do its bit in the war effort.

The Oregon Cavemen, who insist they dug it while Paul Bunyan was scooping out Puget sound, offered Wednesday to sell their rights to the spectacular basin for the duration, the money to be invested in war bonds. The Tribesmen pointed out that bus service to the lake has been suspended and the lodge closed.

A deed to the Cavemen's rights likely will be auctioned here Thursday night at a war bond and stamp rally. Successful bidder will get deeds to rights to the tributed to the owners, operators lake, plus war bonds, which they must purchase.

Jury Convicts Silver Shirt

11 Counts of Sedition And Conspiracy Hit William Pelley

(Continued From Page 1)

and a maximum fine of \$10,000. Floyd G. Christian, one of Pelley's attorneys, said that a motion for a new trial would be filed. If it is denied, he said, the case would be carried to the United States circuit court of appeals at Chicago.

Only a handful of spectators were in the courtroom when the jury brought in the verdict at 9:07 p. m. (Central war time), The jury received the case at 4:45 p. m. It deliberated until about 7 and then adjourned for dinner and then resumed again shortly after 8 o'clock.

The three originally were in dicted on 12 counts, but during the trial the government agreed to drop count 6 at the request of the navy department since it might disclose military secrets.

Pelley was pictured as both "traitor" and "patriot" in opposing arguments before the jury retired to decide his fate of charges of criminal sedition. Oscar R. Ewing of New York,

special prosecutor, and B. Howard Caughran, US district attorney for southern Indiana, called the 52-year-old founder of the Silver Shirts a "traiter" and defense attorney Oscar F. Smith said his client was a "patriot," Ewing labeled Pelley "a man

who serves poison against his government - sugar-coated with the northern New Guinea to prevent clear that by substandard wages eachings of Jesus of Nazareth." Caughran, closing the govern-

and said: "You are a traitor to your coun-

the back while it was engaged Berlin Talks

Minister Ramon Serrano Suner Buna. conferred Wednesday with the British, German and Italian amdiscussed were not announced.

The diplomatic activity in Madrid coincides with rumors that Serrano Suner and Gen. Fidel Davila, chief of staff of the Spanish army, are preparing to leave for Berlin.

The British radio said Wednesday night in a broadcast heard in

"It is considered that this visit is closely related to information that Berlin wants to find out the exact position of Spain in regard to great events for which Europe is being prepared-events which would have to do with the eventual participation of the Spanish army in the defense of the Atlantic coast."

On Radio 10 a. m.

NEW YORK, Aug. 5-(AP)-President Roosevelt and Queen Wilhelmina of the Netherlands will speak over all radio networks in a special broadcast Thursday at 10 a. m. (PWT) it was announced Wednesday night.

The subject of the broadcast. which is expected to last approximately 20 minutes, had not been

Rogue River Hop Price 3 Cents

GRANTS PASS, Aug. 5-(AP) Rogue River valley hop growers announced Wednesday they had decided upon a uniform price of 3 cents a pound for picking the 1942 crop. Growers will maintain a co-

operative trucking service to all

Shipyard Worker Dies of Injuries

PORTLAND, Aug. 5 .- (AP)-KLAMATH FALLS, Aug. 5-(A) Thomas W. Mozet, 29, Portland, The crowded Klamath county died in a hospital Wednesday courthouse has been relieved by night from injuries suffered in an "Commander Tashiro, when he the removal of several offices to accident at the Swan Island ship-W. A. Douglas of the coroner's

Morse Urges Coast's Plane **Wage Control Needs Urged** WLB Stabilization Said

Impossible With no **Mott Says Aleutians** Present Limits Taken Care of by

creases.

"In order to accomplish such

creases. The inflationary effects

of a race between prices and wages

of a governmental check upon

wage increases as well as those

Morse also took occasion to say

"there has been a considerable

amount of misunderstanding"

about the formula and said the

board was satisfield its applica-

tion would add less than one bil-

lion dollars or well under 11/2 per

erhood of Electrical workers had

asked an increase of ten cents an

hour for the workers in the

Bayonne and Perth Amboy plants

ed a three cent an hour increase

for night shift workers, instead

of five cents asked by the union.

It refused the union's request to

increase the annual vacation al-

lowance of one week. Although

the decision adversely affected an

AFL union, the two AFL mem-

bers of the board voted with the

majority, while the two CIO

"Such rates of pay," he said,

increase in pay under the prin-

ciple of the war labor board's

wage stabilization program that

pay increases will be allowed

when it is shown that substand-

before the board "will not re-

ceive any wage increase at all if,

between January 1, 1941, and May,

1942, they were the recipients of

wage increases amounting to 15

per cent above their January,

Morse said "the board has made

Plastic Glider

LOS ANGELES, Aug. 5 -(AP)-

Successful test flights of a new

Wednesday with army approval by

He emphasized that the two-

place glider, designed for train-

ing pilots, is not a sailplane. With

a design speed of 112 miles an

hour, it comes within the army

designation of class 1 gliders, call-

It was designed by William

Hawley Bowlus, pioneer glider

pilot and manufacturer, and en-

gineered by Paul Wildermuth.

County Valuation

Marion county's total assessed

Shelton announced Wednesday.

This assessment total is exclu-

sive of the assessments on utilities

which were fixed by the state tax

Big Five Unit Show

edventere

GENE

AUTRY

were increased \$188,150.

Tonight Thru Saturday

Up \$1,715,090

ing for a 100-mile speed.

Flight Good

ing devices.

1941, wage," Morse said.

ard wages are being paid."

seven to two.

the Perthamboy plant.

bill of more than 70 billion.

in disputed cases."

Army and Navy (Continued From Page 1) to so-called voluntary wage in-(Continued From Page 1)

providing patrol service vital to the whole northwest to prevent sneak attacks by Japanese forces. Its facilities, he said, are being augmented in Oregon by two outlying fields for land-based naval planes, in addition to the two section bases maintained in northern and southern Oregon for small naval watercraft.

It is a war secret when the new \$12,000,000 blimp base now under construction at Tillamook will be completed, according to Moth but it will be "the largest on the Pacific coast and probably the largest in the United States," designed to give patrol protection from the California line to Alaska.

When Rep. Mott will return to Washington, DC, depends mainly on when the senate completes action on the tax bill. Should President Roosevelt veto the new rubber bill, calling for production of synthetic rubber from grain alcohol, however, he may be called back for conference action on that

"The group in the senate (backing the rubber bill) probably will insist on a shewdown if the bill is vetoed," Mott said.

The representative criticized the rubber reserve corporation for apparently overlooking the possibilities of production from alcohol" when "rubber can be made very quickly that way and with very little use of strategic mate-

Criticism of New Guinea Answered

GENERAL MacARTHUR'S HEADQUARTERS, Australia, Thursday, Aug. 6 -(AP)- A military spokesman at allied headquarters said Thursday that it would have been impossible to defend the Buna-Gona area of New Guinea from Japanese landing parties "without sacrificing troops involved."

His statement answered criticism for not having forces in the recent landing.

"No special threat exists from mit the maintenance of a standthe enemy occupation," the ard of living of health and decency. The wages paid the emspokesman said. ployes in this case do permit of

SYDNEY, Aug. 5 -(A)- Deputy such a standard of living." opposition leader W. H. Hughes Wednesday called for immediate allied action to drive the Japanese from their New Guinea foothold in the Gona-Buna region, declaring Australia was gravely menaced by the island-by-island advance of the enemy toward the Australian mainland

all-plywood plastic glider, de-Hughes sharply criticized the scribed as the first of the type in allied command for permitting the MADRID, Aug. 5-(P)-Foreign Japanese to land at Gona and the United States, were announced Norman Larsen, general manager

"Every day Japan draws nearer to our vital centers," Hughes said of Bowlus Sailplanes, Inc. bassadors to Spain. The subjects in a statement, "She takes one step at a time, consolidates her position, then takes another. So far she has never failed to reach her objective. That's what makes the situation today so grave."

Schlecten Named **OSC Mines Head**

CORVALLIS, Aug. 5 -(AP)- Appointment of Dr. Albert W. Schlecten, assistant professor of metallurgy at the University of Minnesota as head of the Oregon State college department of mining engineering was announced Wednesday.

Schlecten was graduated from the University of Montana school of mines and for a time was research assistant for the Anaconda copper mining company.

The Oregon State mines depart ment will grant degrees next spring for the first time in 10

US Bombers Strike CHUNGKING, Aug. 5-(AP)-US

bombers were reported Wednesday to have hit Japanese wharfs, warehouses and shipping near Hankow. Three Japanese raiders were downed at Kweilin, 250 miles northeast of Canton.

Australia Ouiet GEN. MacARTHUR'S HEAD-QUARTERS, Australia, Thursday, Aug. 6.-(A)-The allied headquarters communique Thursday said: "Activity in all sectors limited to reconnaissance."



- PLUS -

DICK FORAN

ANDY DEVINE and Jungle Girl" AM MALE ANIMAL in "ROAD AGENT" News and Comedy News and Cartoon

Albany Officers Meet by Censor

ALBANY, Aug. 5-(AP)-For several months, Capt. Orris Carnegie and Lieut. John Carnegie, serving with the United States army in Australia in different outfits, have been trying to get together-with

out success. The other day Mrs. John Carnegie received a letter from the cap- retreat. The Russian communique tain, and she was sure it was to placed the Caucasus fighting some tell her that the two finally had 50 miles northeast of Kropotkin, met. They hadn't, but the censor's but the German accounts frean end, it would appear necessary signature on the envelope was quently are days ahead of the to require government review and approval of all general wage in-"Lieut. John Carnegie."

Cargo Planes can not be stopped in the absence **Boost Urged** which arise from wage demands

Decision on Military Craft Output Left to Staff by WPB

(Continued From Page 1) and medical supplies, could be cent to the present national wage shipped by air if the planes were The AFL International Broth-

on hand, it was asserted. However, even if the cargo aircraft program were doubled, as recommended, sufficient planes would be available to deliver only a fraction of this material.

of General Cable. The board vot-Senator Lee (D-Okla), chairman of senate subcommittee investigating the possibility of building more cargo planes, said Wednesday some American bombers were grounded in Africa and Australia for lack of spare parts.

This, he said, showed the need for big cargo planes to speed mamembers dissented. The vote was terials to the fighting fronts, actual and potential.

Morse said the existing mini-Lieut. Gen. Henry H. Arnold mum rates for employes at the chief of the army's air forces, told Bayonne plant were 78 cents an the subcommittee that the army was doing everything to obtain hour for men and 60 cents for women. The scale is 72 cents for sufficient cargo planes in a roundmen and 54 cents for women at ed, all-out program which called for three cargo-carrier to every ten long-range bombers by the "do not entitle the union to an end of 1943.

Essential Job List Coming Under the formula, workers For Oregon PORTLAND, Aug. 5.-(P)-L. C seeking a general wage increase

Stoll, Oregon director for the US employment service said Wednesday night that a list of essential war industries will be announced within a few days.

His statement came a day after Oregon married men with deit means wages which do not perface the likelihood of military service before some single men.

Maj. George Sandy, field inspector for the state selective service system, told the state manpower advisory committee here Tuesday that married men with dependents were likely to be drafted before "21-year-old bachelors" employed in war industries.

Stoll said the list would include 34 essential industries, including lumbering, shipbuilding, transportation, communications, agriculture, food processing, approved construction and metal working. "Employes in these industries should remain on their jobs,

Built of wood and other non-Bay's Bakers strategic materials, Larsen said, the new glider is completely nonmagnetic and thus almost impos-Vote to Work sible to detect by enemy listen-

Stoll said.

SAN FRANCISCO, Aug 5-(AP) Members of the AFL bakers' union, after a day's absence from work, voted Wednesday night to return to their jobs immediately and submit wage and hour differences with their employers to arbitration.

Omar Hoskins, federal labor conciliator, reported the action by the union membership. He said the decision to return to work was approved by a large majority of the bakery employes attending the special membership meeting.

The vote followed day-long efforts by Hoskins and Commander Hugh Center of the navy to bring valuation for 1942, as fixed by the about some agreement before the county board of equalization, is San Francisco area, and perhaps \$37,379,900 or \$1,715,090 greater than in 1941, County Assessor should be confronted by an acute bread shortage.

Feature 7:00 - 9:55

commission. Utility assessments HOLLYWOOD 18C la bis lustiost Novelty Cartoon KIPLING'S **IUNGLE BOOK"**

Envelopment Tried by Nazi

'Chute Troops Force Russian Retreat In Caucasus

(Continued From Page 1)

Russian advices.

The withdrawal in the Tsimlyansk area, 130 miles southwest of Stalingrad, where the Germans have bridged the lower Don coincided with an official German statement that its forces were advancing east. In the Don bend, the northern lever of the nazi nutcracker threatening the great industrial center on the Volga, appeared stalled by staunch Russian troops who met every attack and counter-attacked on their

Two bright rays pierced the Russian gloom.

The cossacks standing firm at Kuschevja slipped through the German lines at night, killed 3000 of the foe and chased the survivors two miles. But these horsemen were threatened by the Germans at Belaya Glina who might outflank and trap them.

The other note of optimism came rom the soviet newspaper Izvesia which declared: "Russian strength in the south

is increasing." The military press said freshly trained reserves were ready to

move to the front and there has not yet been a report of the big Caucasus army in action.

Evasion Is Charged to **Second Twin**

TACOMA, Aug. 5-(AP)-Daniel Pugsley, 22, whose twin brother, David, is awaiting federal grand jury action on a charge of draft evasion, has been taken into custody by federal authorities for similar investigation, Stanton Warburton, selective service board member, said Wednesday.

David Pugsley, a member of Jehovah's Witnesses, refused to report for induction and was bound over to the grand jury Monday by US Commissioner H. G. Fitch.

Warburton said that Daniel has ad his physical examination I his original questionnaire he indicated a conscientious objection to military service but did not ask his board for the form which such persons are required to fill out.

However, the board mailed Daniel such a form after the trouble arose over his brother's failure to report, Warburton said. The board will consider his case Thursday.

The boys' mother, Mrs. Grace Pugsley, is a Tacoma school teacher.

Labor-Plant **Groups Named**

SEATTLE, Aug. 5.-(A)-The WPB office said Wednesday two more Washington and three Oregon plants have set up labormanagement committees. They were listed as the Alum-

inum Company of America, Van-

couver: Bethlehem Steel Com-

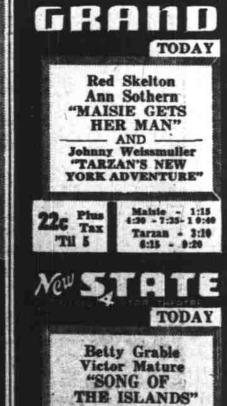
pany, Inc., Seattle; Jaite Paper

Bag company, St. Helens, Ore., and the P & C Hand Forged Tool company and Portland Woolen Mills, Inc., Portland. The nation's total now is more

Attorney Joins Corps

than 1100.

PORTLAND, Aug. 5-(P)-Activation of Alexander G. Brown, chief deputy city attorney, as a captain in the army air corps was announced Wednesday. He will serve in the administrative office the armed forces stationed here, of the weather section, under Col. Don Zimmerman, former Oregon athlete. The city council granted Brown a leave of absence.



TODAY Betty Grable Victor Mature "SONG OF THE ISLANDS" - AND -

Tyrone Power Dorothy Lamour "Johnny Apollo"