

Spain Shakeup Ousts Pro-Nazi Jordana Placed

Suner Replaced as Foreign Minister; Victory Seen in Keeping Spain Out of Axis

MADRID, Sept. 3.—(AP)—Ramon Serrano Suner, brother-in-law of Generalissimo Francisco Franco and avowed admirer of the totalitarian system, was replaced as foreign minister and Falange leader Thursday in the greatest governmental shakeup since the Spanish civil war.

He was succeeded as foreign minister by Count Francisco Gomez Jordana, long-time soldier-statesman who was foreign minister in the old Primo De Rivera dictatorship and held the same post when the United States recognized the Franco regime April 1, 1939.

Logging Aided By Overtime

Price Determination Set by Mill Wage Requirements

WASHINGTON, Sept. 3.—(AP)—In an effort to combat the shortage of labor in west coast logging, Price Administrator Leon Henderson Thursday night ordered important revisions in the price regulations governing the industry, including the establishment of an "overtime addition" system.

Describing the shortage of labor as a major contributing factor to the critical shortage of lumber, Henderson said the "overtime" system would permit overtime operations and stimulate maximum utilization of available manpower.

The "overtime addition" system permits graduated increases in the maximum prices for logs, in accordance with the extent of the individual company's overtime operations. In addition, Henderson ordered an upward adjustment in the ceiling price of hemlock, white fir, and noble fir logs.

The order also included the establishment of maximum prices for the new aircraft grade of hemlock and noble fir logs. The order becomes effective September 9. "These measures," Henderson said, "are a part of a series of actions on supply, labor, transportation and other factors being undertaken by the office of price administration, the war production board, the office of defense transportation, the military services and other organizations to meet the lumber shortage. The seriousness of this shortage is seen in the fact that the war production board estimates lumber production during the current year will fall short of probable demand by six billion feet."

Henderson said studies in the northwest area had demonstrated (Turn to Page 3, Column 3)

Two Officers Hurt in Eire Bomb Blast

BELFAST, Northern Ireland, Friday, Sept. 4.—(AP)—Two police officers were injured early Friday by the explosion of a time bomb outside the Randalstown police barracks in County Antrim during the early morning blackout.

Police said they believed the bomb had been placed there by members of the outlawed Irish republican army. Precautions against terroristic acts have been in force, especially in Belfast, since before the execution on Wednesday of Thomas J. Williams, youthful member of the IRA, for the Easter slaying of a constable. The precautions were ordered after explosives and arms caches were found by the police.

BELFAST, Northern Ireland, Sept. 3.—(AP)—A heavily-armed police guard stood in readiness around Lisburn courthouse Thursday when five men, arrested following discovery of a huge explosive dump of the outlawed Irish republican army, were brought before a magistrate. Police have arrested nearly 100 suspects in a drive in the nationalist districts of Belfast.

Wednesday's Weather

Wednesday's max. temp. 75, min. 47. River Thurs. -3.5 ft. By army request weather forecasts are withheld and temperature data delayed.



SERRANO SUNER Pro-Nazi minister out

Armored Force Expansion Told

Four Tank Divisions Ready; Mechanic Need Great

WASHINGTON, Sept. 3.—(AP)—An increase of more than one-third in the size of the army's armored force was disclosed Thursday by Secretary Stimson with the crisp explanation that "our views have very greatly expanded since the war began."

Four more tank divisions have been organized or ordered formed, the war secretary reported, to give the growing land forces a total of 14 such units. Whether further expansion is planned was left unsaid at the war secretary's press conference. The German army has been credited with as many as 30 panzer divisions, of which a number were believed organized last winter for resumption of the drive to conquer Russia.

Creation of a third armored corps and of the 12th corps of infantry troops was announced at the same time. A corps is composed of two or more divisions. To cope with the mounting national shortage of manpower, Stimson announced that the war department intended to rely heavily—(Turn to Page 2, Col. 1)

Three Ships Lost; More Subs Sunk

By The Associated Press Disclosure of the loss of three more British merchantmen to undersea raiders in the Atlantic was balanced Thursday by an announcement in London by first lord of the admiralty A. V. Alexander that July and August were peak months in the allied destruction of enemy submarines.

Sinking of one British cargo vessel in the Caribbean in mid-August, 15 miles from land, was announced by the navy. Three seamen perished, but 41 survivors were picked up some time after the encounter by a British naval vessel.

The two other British merchantmen—the 4393-ton Penrose and the 4182-ton Hollinside—were torpedoed and sunk out of a five-ship convoy off Portugal late last Wednesday, announcements from Lisbon revealed.

Five of the 45-man crew aboard the Penrose were lost. The Hollinside was reported to have been carrying a crew of 46 men, in addition to 10 survivors from the Avila Star, a 14,442-ton British passenger ship torpedoed and sunk by a German submarine off the Azores July 5.

Sinking of allied and neutral merchantmen off the Azores and European and African coasts is not included in the associated press count of announced western Atlantic sinkings, but the Caribbean sinking boosted the total to 453 craft.

Boys Like Cookies

For Mrs. Spaulding has promised that foods donated to the canteen will not be sold but will be served free of charge to the khaki-clad men who are expected to rush the place for its Saturday opening. Only charges at the USO canteen, she declared Thursday, will be for goods the canteen has purchased.

Pies, cakes and the cookies to keep the oversized cookie jar in constant service may be delivered Saturday morning to the new USO center, located in Legion home at the corner of Chemeketa and Cottage streets. (Turn to Page 3, Column 7)

Germans Crack NW Line

Rommel Gives Up Gains

Allies Bombard Columns

Battle Not Yet Heavy; Aerial Raids Success

By The Associated Press CAIRO, Egypt, Sept. 3.—Under constant bombardment of British artillery, German tank columns fell back Thursday from part of their newly-won positions in the western desert and British tanks and armored cars immediately retook the abandoned strongholds.

Both at the front and in the rear, the axis has been undergoing American and British air attacks on a scale unprecedented in the western desert, plus the continuous cannonading.

British tanks in taking advantage of the German withdrawal thus tightened their hold on German armored columns which now are gripped in a tightening vise moving in from three sides.

Reports from the battlefield said the Germans left nine derelict tanks. Two were unusable, six were blown up by British engineers; one was towed in for possible use by the British.

Several minor clashes were reported on the southern sector of the front but the Alamein area, at the top of the battlefield remained quiet. The major battle for the Nile still is to come.

The allied air campaign continued with undiminished vigor. Reports from the field said 14 enemy planes were shot down Wednesday to a loss of 10 allied planes.

United States and British headquarters announced that medium bombers of the US air force successfully attacked the enemy in the daylight battle Wednesday, destroying and damaging enemy vehicles.

The British described the bombardment action as "record" proportions and said satisfactory results were reported. This aerial action, plus the fury of the artillery fire which broke (Turn to Page 2, Col. 4)

Wintermute's Heroism in Alaska Told

Award of the distinguished flying cross to Capt. Ira F. Wintermute of Salem for extraordinary heroism was made on the basis of the following experience in the Aleutians.

By The Associated Press

Captain Wintermute was forced to land in icy waters of the north Pacific. His airplane sank with two members of the crew. He and the rest of his crew floated on rubber rafts and were rescued 18 hours later.

The citation continued: "While withdrawing from a target area the left wing of his plane was struck by anti-aircraft fire. A few seconds later he was attacked by six fighter aircraft, firing explosive cannon ammunition which punctured the fuel tank, causing gasoline to spill over a wide section of one wing, which gave off profuse smoke but did not ignite due to lack of combustible atmosphere at his altitude. (Turn to Page 2, Col. 3)

Our Senators

Won 2-1



Nazis Break Through Stalingrad Defenses



Moscow reported that German tanks had effected a breakthrough deep into the defenses southwest of Stalingrad and that the enemy—sending tanks directly against the Russian fortifications—drove a deep wedge into the red defenses north of the city. Moscow admitted the situation was more desperate than at any time in the week-long German assault on the Volga city. Lined area is German-held.—Associated Press Teletext.

Retreat Forced On Volga

Nazis Edge Near On Southwest in All-Out Effort

By HENRY C. CASSIDY MOSCOW, Friday, Sept. 4 (AP)—Massed German tanks and infantrymen have cracked the previously impenetrable Russian line northwest of Stalingrad and forced the Soviets to retreat there, while other German forces continued to edge closer to Stalingrad from the southwest, the Russians reported Friday.

A Russian retreat northwest of Novorossiisk, threatened Black sea fleet base, also was acknowledged officially by the Soviets in their midnight communique.

The break in the Russian lines above Stalingrad represented the first gain for the Germans there in some time. The Russians had stiffened after being folded back to the approaches of the Volga city. The peril to the key Volga city thus increased by the hour as the Germans closed in steadily with both arms of a strong pincer movement.

The midnight communique said the first attack by German tanks and infantry was hurried back by Soviet artillery and anti-tank rifle fire, leaving nine disabled and burned German tanks and about 400 dead on the field. "Two hours later the enemy resumed attacks on our positions and pressed our units back," the communique said.

The extent of the German gain was not disclosed but it was known that the battle in that area is being fought on the northwest approaches to the city.

In a strong bid for victory the Germans Thursday threw masses of planes, tanks and troops against Stalingrad from the southwest. (Turn to Page 2, Col. 1)

F. Thielsen Leaves Post At Chamber

Resignation of Fred D. Thielsen, executive secretary, and Mrs. Rose Brinkley, secretary to the manager of the Salem chamber of commerce, was announced Thursday by Carl W. Hogg, president.

Mr. Thielsen, who became manager of the chamber four years ago, succeeding C. E. Wilson, is taking a position with the state public utilities department on September 15, Hogg said.

The chamber's board of directors is understood not to intend to appoint a successor to Thielsen immediately.

Thielsen became executive secretary late last spring when the new position of business extension manager was created and Clay C. Cochran was employed to work out Camp Adair transportation and housing problems. In his new capacity, Thielsen concentrated his efforts on membership played an important part in increasing the chamber's rolls by approximately 25 per cent.

President Hogg said a further gain in members would be sought under the direction of the membership committee headed by Frank Doerflinger.

Churchill Plane Near Nazi Lines

LONDON, Ont., Sept. 3.—(AP)—John Affleck of London, senior flight engineer for the aircraft which took Prime Minister Churchill to Russia recently, said Thursday that the plane at times flew within 60 miles of the Russian-German front lines. "Our ship would have made a real prize for the Germans if they had known about us," he said. Fortunately, we didn't sight a single enemy aircraft. (Turn to Page 3, Column 5)

Bombers Blast Solomon Bases; Marines Hunt Enemy Groups

2 Seaplanes, Fuel Dumps Hit by Yanks

GEN. MASARTHUR'S HEADQUARTERS, Australia, Friday, Sept. 4.—(AP)—Allied bombers, blasting Japanese bases in the upper Solomons for the second straight day, damaged two enemy seaplanes and started large fires on four direct hits on fuel dumps, a communique announced Friday.

The seaplanes were hit at Faisi, the fuel dumps destroyed at Buksa, and enemy installations at Kieta also were attacked "with unknown results," the announcement said.

(A Washington navy department communique said U. S. marine positions in the Guadalcanal-Tulagi area "are steadily being reinforced and strengthened," although small detachments of Japanese troops have landed at various points in that southern Solomon region. The marines and land-based American aircraft are engaging these Japanese groups, it said.)

Allied fighters also bombed and strafed Japanese lines of communications in the Kokoda area, 60 miles east of Port Moresby, but the communique did not mention any ground fighting.

In the Milne bay area of southeastern New Guinea "fighting of a guerrilla type continues" with allied ground troops still mopping up the remnants of a thwarted Japanese invasion party.

Chinese Push Encirclement In Chekiang

CHUNGKING, China, Sept. 3.—(AP)—Chinese armies pushing the Japanese back in Chekiang province have encircled Kinhuwa, provincial capital and one of the last good air bases in the province held by the Japanese, and are heavily engaged with reinforced Japanese troops, the Chinese reported Thursday night.

A front-line dispatch of the Central News agency said the Chinese had drawn their ring about Kinhuwa Thursday.

The high command also announced that Lupo, an important Kwangtung province highway and river center about 25 miles northwest of Canton, had been recaptured from the Japanese last Tuesday.

The communique did not mention Kiangsi province, where the Chinese have been reported fighting in the outskirts of Nanchang, capital of the province, but unofficial reports said the Chinese were making a determined attempt to recapture the city.

Jobs to Hold Attention on Labor Holiday

By The Associated Press Workmen across the land for the most part will stick by their production jobs next Monday in the nation's first wartime observance of Labor day in a quarterly-century, heretofore traditionally a holiday for millions of Americans.

There will be some parades but most cities will supplant the all-labor theme by a more military motif and in virtually every case war production workers not normally off duty will continue their labors in the mills and factories.

The idea that "free labor will win" was underscored by the navy in announcing that 150 warships, many of them small vessels, would be launched or their keels would be laid in shipyards of 27 states on Labor day.

President Roosevelt will broadcast to the people sometime in the evening on government plans to check inflation and possibly other matters related to the war effort.

The leaders of the two American labor groups, Philip Murray of the congress of industrial organizations, and William Green of the American Federation of Labor, both are scheduled to speak. Green will address an Omaha labor day rally, while Murray will speak at New Kensington, Pa. Paul V. McNutt, federal security administrator, also will speak at Omaha.

Nationwide tire rationing probably will serve as a brake on the customary American pastime of making Labor day a motorist's nightmare and in the gas-rationed east the effect doubtless will be even more severe.

Salem residents saw three of the screen's popular actors in new roles here Thursday night when Walter Pidgeon, Joan Leslie and Adolph Menjou came to town to sell war bonds.

The three stars, touring under the motion picture industry's September drive for cooperation with the United States treasury's effort to increase war savings, did little entertaining as such in their appearances at Salem's Victory Center.

Instead, they pleaded the case of Axis vs. America, for the defense, so well that the day's bond sales total was swelled to \$101,000, the city's motion picture war savings committee estimated.

This was the largest single day's sales, aside from city and state investments in war bonds, yet recorded. To Menjou, the war means Americans must "wake up and dig down," he told his big Victory Center audience.

The biggest of war bond purchases are insignificant besides the "gifts" being made by the nation's soldiers, sailors and marines—"of arms and legs and eyes"—Pidgeon told the crowd. (Turn to Page 3, Column 5)

Five Enemy Ships Sunk In Pacific

WASHINGTON, Sept. 3.—(AP)—The navy disclosed tonight that a few "small detachments" of Japanese troops had landed on islands of the southeastern Solomon group but that marines who wrested that area from the enemy several weeks ago were hunting down these groups.

The communique reporting this action followed by a few hours an announcement that United States submarines in the western Pacific elsewhere than in the Solomon theatre had sunk five more enemy ships, including a Japanese light cruiser, and damaged three others. This report brought the total of Japanese ships sunk or damaged by American submarines since December 7 to 99.

The Japanese were matching their amphibious operations in the Solomon area with what the navy called "periodic attack" by aircraft. One such attack occurred Wednesday, the navy said when 18 enemy bombers, accompanied by fighters, raided American installations at Guadalcanal. That raid cost the enemy three bombers and five (Turn to Page 2, Col. 2)

Furniture Firms To Make Gliders

NEW YORK, Sept. 3.—(AP)—Organizations of American Aviation corporation to produce plywood planes and gliders for the US navy "by making use of the facilities of a group of furniture manufacturers" was announced Thursday by President and Board Chairman R. N. Webster.

Webster said a "large special designed" assembly plant, already under construction at Jamestown, N.Y., probably would be completed about January 1.

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