

Wage, Price Limits Decree Slated

Orders Affect HCL

Parity-Plus Would Lose To FR Fiat

By IRVING PERLMETER

WASHINGTON, Sept. 4 (AP)—President Roosevelt, responsible sources revealed Friday night, has prepared for issuance Monday the most drastic order affecting the everyday life of Americans in the 9½ years since he became president—a decree limiting all wages, salaries and farm prices in the United States.

At the same time, the order, as presently drafted, will create an economic administrator to see that these and other policies to hold down the war-time cost of living are carried out. Wendell Willke, Gov. Herbert H. Lehman of New York and Bernard M. Baruch were among those mentioned as possibilities for the job.

Aside from its impact on every American, the order is deemed even by the president's advisers who helped him draft it to be almost revolutionary because the farm price section will, in effect, set aside an act of congress—a provision of the price control act which specifically forbids any price ceilings on farm products at less than 110 per cent of parity. Some commodities are above this mark, but some are below it. The president will assert his wartime powers and duties are sufficient to justify such unprecedented action, to prevent a threatened runaway rise in the cost of living.

As outlined by government officials who cannot be quoted by name, the president's action is scheduled to do these things:

Wages—Any work paid for by an hourly rate, or other personal compensation less than \$75 per week. The president is expected to order that no wage rates be increased above their January 1, 1941, level by more than the rise in the cost of living since then, which is roughly 15 per cent. In the case of persons working by the hour, this will not affect increased pay resulting from working more hours per week.

It was indicated that workers who had received more than a 15 per cent wage increase since January 1, 1941, will be permitted to continue on the basis of the increased pay.

Salaries between \$75 per week and \$7500 per year—a last minute decision is yet to be made whether these will be frozen at existing levels or permitted to increase with the same cost-of-living formula applied to wages.

Salaries over \$7500—no increases.

Farm prices—To be frozen at existing levels for the time being, subject to probable revision later in the case of some products. Certain of the revisions, it was said, would be downward.

These are the general policies scheduled to be enunciated in the order. Many details will be left to the administrator, including probably such questions as pay raises accompanying bona fide promotions.

In some cases, enforcement will be indirect. Income tax laws will be used particularly to back the president's statement of what employers should do about wages. By refusing employers the usual "business expense" deductions for unauthorized wage increases, which would automatically increase the taxes of the employers, officials believe the government can make it too expensive to evade the wage policy. Most employers, as a matter of normal economy, probably would abide by the order voluntarily.

The order is not expected to take any direct action on other cost-of-living angles, but the president is expected in his message to congress and radio address to the public, to emphasize the supplemental need of more taxes, more war bond purchases, payment of debts, avoidance of hoarding, more rationing and similar measures.

Any setting aside by executive fiat of the legislative props for farm prices might be expected to result in protests from the congressional farm bloc and from additional members of congress concerned with the prerogatives of the three branches of government.

The Oregon Statesman

FOUNDED 1851

NINETY-SECOND YEAR

Salem, Oregon, Saturday Morning, September 5, 1942

Price 5c

No. 118

German Drive East in Three Spears

Northwest Farmers Organize 'Rubber From Grain' Group

Congress Requested to Finance Synthetic Rubber Factories to Utilize Surplus Wheat Harvest

PENDLETON, Ore., Sept. 4—(AP)—Pacific northwest wheat growers Friday organized the Tri-State Industrial Alcohol and Synthetic Rubber association to promote the use of grain in easing the rubber situation.

Association leaders at once asked congress to finance synthetic rubber factories in the Pacific northwest.

The organization was formed by approximately 300 Idaho, Washington and Oregon farmers in a meeting sponsored by granges of the three states.

Two Vacancies Remain at WU

New Instructor for Mathematics Hired; Enrollment Holds

Only two vacancies remain to be filled in Willamette university's faculty as the institution enters its first full year of wartime instruction. Dean Chester F. Luther reported Friday in announcing selection of an instructor to take the mathematics classes taught by the late Dr. James T. Matthews.

Principal gap in the university administration, that of president, was closed this week with the arrival of Dr. G. Herbert Smith to assume the position. Since his arrival Tuesday President Smith has spent much of his time in the president's office acquainting himself with the problems before him.

The new instructor is Miss Frances Doughty, graduate of Stanford university with bachelor's and master's degrees in mathematics, and a professor at Clark Junior college, Vancouver, Wash., since 1936. Her home is in San Mateo, Calif.

Yet to be filled are the positions of economics instructor, from which Graydon K. Anderson resigned to enter the navy, and of band director and instructor in instrumental music, which Maurice Brennan relinquished to enter a defense industry.

Advance registration is not far behind that of last year despite inroads made on the enrollments of higher institutions by the war. Walter E. Erickson, director of (Turn to Page 2, Col. 1)

Three Hurt In Ireland Gun Fights

BELFAST, Northern Ireland, Sept. 4—(AP)—Three persons, one an 8-year-old girl, were wounded in a series of gun fights between police and the outlawed Irish republican army in the past 24 hours.

A man was struck by a bullet just before Duck in Lesson street, Belfast, in the latest play of violence.

The girl, Roseleen Houston, and James Bannon, 21, were wounded during a fight between police and IRA adherents in the Falls Road area. The battle started when six IRA men, one armed with a tommy-gun, challenged three policemen. One of the IRA men was captured. Two bullets hit Bannon. The girl was only slightly wounded.

This battle followed an attack by guerrillas on a police barracks at Bellechee, County Fermanagh, on the border of Ulster and Eire and escaped after police returned their fire.

Officials meanwhile searched all vehicles along the border and made travelers produce identification cards as they pressed the hunt for the men who placed a time bomb outside a police barracks at Handstown, Northern Ireland.

Nazis Lose Airmen
MOSCOW, Sept. 4—(AP)—The Moscow radio said Friday night that the German air force had lost 60,000 men in Russia and that Hitler was forced now to send trained aircraft workers to the soviet front as reserves.

RAF Bombs Germany; Guns Blaze

LONDON, Sept. 5—(AP)—British bombers were over Germany again Friday night for the fourth successive night, it was announced Saturday.

The Berlin radio said points in both northern and eastern Germany had been attacked, indicating Russian raiders might also have been active. The broadcast acknowledged some damage was done in a town on the north German coast by high explosives and incendiaries.

German planes were over the south coast of Britain during the night, but there were no reports of bombs having been dropped.

Portugal Wolfram Mine Said Afire

LISBON, Portugal, Sept. 4—(AP)—The second largest wolfram mine in the world, owned by the British and producing almost half the total of Portugal's wolfram output, was reported on fire Friday.

Dispatches from Fundao said the fire broke out in a firewood warehouse of the Paraseira mines. The cause was not reported.

Wolframite is important in the manufacture of munitions.

Thursday's Weather

Thursday's max. temp. 75, min. 51. River Friday —3.5 ft. By army request weather forecasts are withheld and temperature data delayed.

Calls Added Women To Work



PAUL V. McNUTT Says more women to work

WASHINGTON, Sept. 4—(AP)—Manpower Commissioner Paul V. McNutt called Friday for a big increase in the number of women at work in the war industries and named a committee to consider policy problems involved in training and recruiting of women workers.

"Increased participation of women in our all-out war production effort is essential to its success," McNutt said. "War production alone employed about 1,400,000 women last December. This figure will jump to 4,500,000 by December, 1942, and will climb to 6,000,000 by the end of 1943. By then, women will represent at least 30 per cent of the labor force employed in war production."

"Over 18,000,000 women must be gainfully employed by the end of 1943, so 5,000,000 women must be added to the total number employed."

To this McNutt added a statement that:

"One out of every four housewives, perhaps one out of every three, between the ages of 18 and 44 will be employed."

In connection with McNutt's plea for more women workers, it was recalled that Brig. Gen. Lewis B. Hershey, director of selective service, said recently that qualified men working in the war factories must be drafted and their places filled by women and older men.

McNutt appointed Miss Margaret A. Hickey of St. Louis to the chairmanship of the policy committee. She is vice president of the National Federation of Business and Professional Women's clubs, a lawyer and a member of the Missouri bar. In addition, she is the owner and director of a school for secretaries in St. Louis.

24 Crewmen Die; Captain Imprisoned

By The Associated Press
Twenty four seamen perished in the submarine-sinking of a Latvian merchantman in the Caribbean, the navy announced Friday, in the wake of additional reports from Lisbon disclosing that another ship's captain had been imprisoned aboard the raider which destroyed his vessel about 1000 miles east of Baltimore.

The captain and the first engineer of the 4573-ton Greek freighter Leonidas M. both were taken aboard the enemy U-boat.

STOCKHOLM, Saturday, Sept. 5—(AP)—The Swedish submarine Sjöbjörnen was sunk off the coast after being rammed by a merchant ship in shallow water, it was announced officially Saturday. One crewman is reported missing.

dispatches from Lisbon said, following the attack on their ship in mid-July. Crew members of the neutral Portuguese vessel San Miguel (Turn to Page 2, Col. 6)

Allied Planes Attack Jap Cruiser

GENERAL MACARTHUR'S HEADQUARTERS, Australia, Saturday, Sept. 5—(AP)—Allied bombers have attacked a Japanese cruiser off the southeast coast of New Guinea but results of the raid were not known, General Douglas MacArthur announced Saturday.

An allied command headquarters communique said that an allied reconnaissance unit shot down a Japanese Zero fighter plane in a fight at Lae, New Guinea. The Zero was attempting to intercept the allied unit, the report said.

There was no change in the Milne bay sector, where the allies administered a severe defeat to the Japanese.

BERLIN (from German Broadcasts), Sept. 4—(AP)—The Berlin radio quoted a Tokyo dispatch Friday night as saying that Japanese troops sent from Timor had occupied several small Sunda islands.

(The lesser Sunda islands lie between Timor and the Dutch East Indies, such as Bali, Lombok, Soembawa, and Soemba.)

Lauds Planes of US Praised

Rickenbacker Dislikes Kaiser Plan; Tells Why Spitfires Used

CHICAGO, Sept. 4—(AP)—Capt. E. V. "Eddie" Rickenbacker, World War flying ace, said Friday night that two American fighter planes—the liquid cooled twin engine P-38 Lockheed and the air-cooled P-47 Thunderbolt—had proved superior "in actual tests" to Germany's new Focke-Wulf 190 fighter.

Asserting that America was "on the road to air superiority, the first road to victory," Rickenbacker told an audience of army radio technicians that to date, American air force planes have destroyed twice as many of the enemy planes as (Turn to Page 3, Column 5)

Close Control Of Inventory Slated Soon

WASHINGTON, Sept. 4—(AP)—The war production board announced approval Friday night of a program to control inventories of civilian merchandise in the hands of retail stores and wholesalers.

The plan, which probably will become effective sometime early in 1943, is an attack on the problem created by heavy buying by some dealers. Such purchases have raised the threat that some stores and even some regions of the country might be unable to get sufficient supplies to serve their communities.

WPB Chairman Donald M. Nelson said the program would contribute to "an equitable distribution of inventories throughout the country," and could be accomplished "without unnecessary hardships or difficulties" for the retail and wholesale trade.

The program, prepared by a special committee after conferences with hundreds of merchants and manufacturers, also calls for an immediate investigation into advisability of the limitation of manufacturers' inventories.

Two broad classes of manufacturers and merchants would be exempted from the plan. Any concern whose business for the 12-month period ending September 30, 1942, was less than \$100,000 or whose inventory on that date was less than \$25,000 cost value. (Turn to Page 3, Column 3)

Alaskan, Army Hit Censors

JUNEAU, Alaska, Sept. 4—(AP)—Gov. Ernest Gruening, upon his return Friday from San Francisco, said Lieut. Gen. John L. DeWitt permitted him to quote the western defense command as saying the postal censors' policy of clipping news from Alaska-bound newspapers is "unnecessary and unjustifiable."

The governor said the western defense command asserted there was no purpose in censoring for Alaska any news which was printed in the states. Gruening said he considered the clipping as injurious to the morale of Alaskans and members of the armed forces in the territory, and he will "continue to the utmost my efforts to cause its abrogation."

Milk Rationing Warning Given

PORTLAND, Ore., Sept. 4—(AP)—Gov. Charles A. Sprague warned Friday that milk rationing may become a reality in the Portland area soon.

"It is quite possible there will be a shortage in retail milk due to increased demand of a rising population and a decrease brought on by labor shortages hampering the producers," he told a women's milk price study committee.

The committee said the threatened shortage could be averted by removing milk board regulations which prevent some producers from entering the Portland market.

Stalingrad Defense Stiffens Against Pre-Winter Push



CAPT. E. V. RICKENBACKER Tells how fighters fly

Offensive in Egypt Seen Diversion To Crimean Assault; US Forces Do Big Part in Tanks, Planes

By FRED VANDERSCHMIDT Associated Press War Editor

The Germans were throwing all their offensive weight Friday night into three drives to successively isolate, bypass and cross the Caucasus and thus make good Adolf Hitler's master plan of taking the middle-east via the historic land bridge.

This became increasingly evident with German announcement of the long-awaited assault from the Crimea, across Kerch strait to the western shores of the Black sea and with a strong new Nazi push into the mid-Caucasus at the height of the battle of Stalingrad.

The midnight Moscow communique indicated the soviet armies were stiffening somewhat at Stalingrad, halting the Nazi advance from the southwest and fighting furiously elsewhere, but there was nothing to really relieve the general military crisis.

In this situation the curious Rommel offensive in Egypt took on the appearance of a diversionary action intended, in the main, to immobilize allied land, air and sea forces west of Suez. Rommel's tanks, which started last Monday morning through the British minefields north of the Qattara depression, already had gone into reverse.

Moreover, the German desert marshal's strange shortage of support coincided significantly with the German high command's disclosure that a major air operation was involved in the leaping of Kerch Strait, and with Russian reports of the arrival on the Stalingrad front of aircraft from Rommel's Egypt command.

The British eighth army kept up its pressure on the axis forces on the southern sector of the desert.

MOSCOW, Sept. 4—(AP)—Eight Nazi planes were destroyed by soviet fighters and anti-aircraft fire Friday in an attempted raid on Leningrad, Russian sources said Friday night. The other raiders fled.

front stretching from El Alamein to the Qattara depression and by nightfall was reported to have thrust the enemy farther back in the west.

RAF and Australian air force bombers and torpedo planes located an enemy convoy in the central Mediterranean Thursday night, it was announced, and sank a merchantman, damaged and probably sank a destroyer and started a fire on a third ship.

In addition to the superb work done all week by US bombers and fighters flying with the allied Egyptian squadrons, it was disclosed Friday (Turn to Page 2, Col. 2)

Editors Will Find Scrap

WASHINGTON, Sept. 4—(AP)—Warned that the steel mills have only a fortnight's supply of scrap, 200 newspaper publishers and editors agreed Friday to undertake a concerted salvage collection campaign throughout the country.

Chairman Donald M. Nelson of the war production board addressed to the executives at a meeting here the government's first direct wartime appeal to newspapers for emergency action. Nelson's report on the gravity of the steel situation was supported by Lieut. Gen. Brehon Somervell.

"We haven't won this war yet and we'll be a long time winning it," said the chief of the army's services of supply. "This time it's not a question of how long, but if."

Our Senators Lost

WASHINGTON, Sept. 4—(AP)—The navy department announced Friday it would release for general public exhibition in theaters throughout the land beginning Thursday an action picture of the battle of Midway. The picture, in color, was filmed by a naval officer in the thick of the action.

Midway Films Set

WASHINGTON, Sept. 4—(AP)—The navy department announced Friday it would release for general public exhibition in theaters throughout the land beginning Thursday an action picture of the battle of Midway. The picture, in color, was filmed by a naval officer in the thick of the action.

A House?

Are you looking for a place to live, or for a tenant? If so, turn to The Statesman classified advertising page, where buyer and seller get together.

