

NINETY-SECOND YEAR

Wine Sale Limiting Saved

Vote Set Wednesday; Corporate Excise Tax Cut Passed

By RALPH C. CURTIS

Limiting fortified wines' sale to the state liquor stores won tentative and precarious approval in the legislature Monday while the proposal to establish civil service for state employees was defeated under circumstances suggesting Oregon's lawmakers would be more receptive to the idea "after the duration." Meanwhile, the house approved and sent to the senate the last item of the immediate state tax program, a bill calculated to reduce corporate excise tax income by 8 or 10 per cent, and the senate proceeded with its own study of taxation problems.

Sen. W. E. Burke's bill further to control the sale of wines in excess of 14 per cent alcohol, championed in house by Reps. H. R. Jones and Joseph E. Harvey, was saved by one vote, 31 to 28, when it was up for indefinite postponement. But a motion to put it on final passage failed and Rep. A. W. Meyers changed his

LEGISLATIVE CALENDAR

Third readings Tuesday:
In Senate: SB 77, 266, 269, 223, 283, HB 76, 77, 362, 375, 376, 377, 378, 379, 192.
In House: HB 361, 388, 389, 390, 391, SB 32, 52, 116, 127, 168, 225, 231, 276.

vote for the purpose of asking reconsideration. Rep. Jones' motion to make the bill's third reading a special order of business for Wednesday at 10:30 a. m. was approved.

Representatives who voted for the bill and against indefinite postponement were: Bennett, Chadwick, Chase, Chindgren, Crutcher, Dammasch, Dickson, Dunaway, Ellis, Engdahl, Francis, French, Frisbie, Harvey, Hesse, Himelwright, Jones, Kimberling, Kuratli, Lieualten, Marsh, Moore, Niskanen, Ramage, Semon, Snellstrom, Snyder, Steelhammer, Turner, Van Dyke and Manley Wilson.

Rep. Jones tied the measure in with the war effort by producing evidence that use of these wines contributed to absenteeism. He contended that the greater measure of control provided by limiting sale to the liquor stores, further implemented by impending legislation to require liquor permits, would eliminate much of the abuse. Rep. Harvey quoted coroner's reports on four recent deaths attributed to fortified wine, and Rep. C. L. Lieualten told of a recent case illustrating the desirability of protecting young men in the armed services from misuse of these potent beverages.

Rep. Stanhope Pier, chairman of the alcoholic control committee which had disapproved the bill, pointed out its unfavorable effect on the 1400 licenses and Rep. Meyers said these included 1229 stores selling wines only, which would, he insisted, be put out of commission. They and other opponents of the bill said it would not correct the abuses. Several pledged support of a bill permitting the liquor commission to limit the hours during which these stores may sell wines, and others suggested that liquor permits be required for purchases from these private dealers.

That civil service for state employees may merely have been postponed may be concluded from the circumstance that opposition was chiefly limited to two factors: details of the bill, and fear that its institution now would tend to "freeze" present employees in their jobs, to the disadvantage of service men who might seek such employment after the war. The measure was indefinitely postponed, 34 to 24.

Reps. Leo Smith and Robert A. Bennett contended the proposed civil service system would not actually become effective for two years, and that its provision for veterans' preference and reinstatement of former employees who entered the armed services overcame the one objection. They said the substitute bill, passage of which they advocated as minority members of the judiciary committee, had been drafted by the entire committee despite the other members' present opposition, and provided an excellent program.

Opposition was headed by Rep. Eugene March, committee chairman, who in addition to the aforementioned objections, said (Turn to Page 2—Story A)

Supported



E. R. STETTINIUS, JR.

Lend-Lease Gets Backing

Stettinius Praised For Operation of Aid to Allies

WASHINGTON, March 1—(AP)—E. R. Stettinius, Jr., apparently sold members of the senate foreign relations committee on a year's continuance of the lend-lease program Monday; republicans as well as democrats joined in praise of the agency's operations in providing nearly \$9,000,000,000 of materials and services to friendly nations. In two hours of public testimony, the white haired, black-browed administrator told the committee that lend-lease had not threatened the nation's food supply by the amount of its agricultural exports, that reverse aid from Great Britain had cut the cash expenditures for maintaining the American army in Great Britain to \$25,000 a month and that the (Turn to Page 2—Story B)

Court Rules On Milk Sales To Army Camp

WASHINGTON, March 1—(AP)—The supreme court Monday upset the conviction of George Sylvester Viereck on the ground that "however deserving of punishment his conduct may seem," the law before Pearl Harbor did not require him to disclose fully his alleged pro-german propaganda activities.

Viereck is serving a two to six-year sentence as a result of his conviction one year ago on a charge of parking incomplete reports to the state department on his activities. Justice department officials said the ruling apparently will result in his release on this count but he is under indictment also with 32 other persons and the weekly New York Enquirer on charges of sedition and conspiracy to undermine the morale of the armed forces.

In two other decisions Monday the supreme court laid down the rule that state laws fixing the minimum price for milk apply to army camps on land leased from the state but not to camps on land owned outright by the government. A decision by Stone, on which the court split 4 to 3, upheld the constitutionality of the Pennsylvania milk control law as applied to milk sold to the government for camp at Indiantown Gap. A companion decision by Justice Roberts, on which the court voted 5 to 2, held that California could not apply its milk marketing regulation (Turn to Page 2—Story E)

Red Cross Workers Find Ready Response to Drive

Response of Marion county residents in the Red Cross war fund campaign, which opened over the nation Monday, is already "more than gratifying," Campaign Chairman Charles H. Huggins declared Monday night as fund headquarters prepared to tally first reports this afternoon.

More than \$4000, representing pre-campaign payments to the fund had already been received in offices here Monday. Mrs. L. V. Benson, volunteer secretary there, said Monday night.

Representatives of the 600 workers who are "covering" Marion county told stories Monday night of the welcomes that awaited them in places of business, offices and homes of the area. In many places, they said, they found that checks had already been written and were ready to be

Sewers Blamed, Floodin

O'Hara W. Users Outside Aider's First Raised

If the past winter's floods in basements and on lawns of north Salem residences were caused by over-crowding of storm sewers in that area, then owners of buildings outside the city limits which are utilizing those sewers should make some preparation this summer to dispose of sewage without use of the city system, Alderman David O'Hara warned at Monday night's council meeting.

"Because," declared O'Hara, "I will recommend that out-of-town users be cut off if the sewers there won't any more than take care of buildings in the city. City dwellers have financed the system."

Question of the cause of the failure of the sewers to carry off heavy rains of the winter was brought to attention of the council by a petition signed by 119 residents of the area bounded by Norway, the south boundaries of the fairgrounds, the city limits and 17th streets. Actually the district which suffered was larger, City Engineer J. H. Davis declared.

Normally, David said, the sewers there are sufficient, but flood conditions during the past winter were so severe that probably the sewer system alone could not be considered to blame.

The petition asking relief was referred to the council's committee on sewerage and drainage, as well as a request for repairs to a culvert where Oxford joins 22nd street, bearing eight signatures. Without argument the council voted to "table indefinitely" an application for a restaurant liquor license submitted by R. V. Carleson. Previously disapproved, the license application could have been reconsidered only at the first meeting after the original action was taken, City Attorney Lawrence N. Brown said.

The committee on police, traffic regulations and licenses was handed for recommendation applications for beer licenses filed by S. J. Gentzkow, who operated the Brown Derby at 271 North Commercial street, closed when (Turn to Page 2—Story C)

McNutt Hits, Stimson Asks Labor Draft

WASHINGTON, March 1—(AP)—Two top-rung administration lieutenants—Manpower Commissioner Paul V. McNutt and War Secy. Stimson—disagreed on the issue of legislation permitting compulsory draft of labor for factory and farm.

McNutt, opposing the idea, told a press conference that "there is too much talk about forcing people to do many things." He is seeking to apply what he terms a voluntary system involving "indirect penalties."

Over the weekend, Secy. Stimson endorsed the legislation on the ground that there is "increasing evidence of the inadequacy" of present controls. Besides this disagreement, there were these developments Monday bearing on the manpower situation:

Undersecy. of War Patterson opposed a bill deferring all agricultural (Turn to Page 2—Story G)

Axis Gains in One Attack; Jap Convoy in SW Pacific

Assault Prepared For Ships

14-Vessels Report Follows Warning Of Concentration

By VERN HAUGLAND

ALLIED HEADQUARTERS IN AUSTRALIA, Tuesday, March 2—(AP)—One of the largest Japanese convoys yet sighted in the northeastern sector of the southwest Pacific was reported by the allied high command Tuesday to be heading in the direction of New Guinea.

Fourteen Japanese ships were sighted off Talases, New Britain, heading toward New Guinea under cover of an advancing weather front, said the noon communique from General MacArthur's headquarters. The allied air force is preparing to attack the convoy as soon as the weather permits.

The convoy reportedly consists of warships and cargo vessels, protected by some fighter planes. It was first sighted Monday afternoon near Ubihi, New Britain, moving west. A few hours later it was sighted off the Willaumez peninsula and is now believed to be somewhere west of New Britain.

The convoy, which passed the length of New Britain, is not yet in a position to determine accurately where it is headed.

But it is considerably larger than the convoy which was terrifically assaulted off New Guinea by the allied air force in January. Four warships and five transports were involved in that action. The appearance of the convoy is in line with Monday's communique warning of the concentration of major Japanese forces in this area.

Allied bombers, meantime, continued hammering at the growing Japanese strength in the island chain north of Australia. A heavy unit, the noon communique said, bombed enemy shipping in the harbor of Waingapoe island off Soemba, west of Dutch Timor.

Another unit of heavy bombers pounded the airdrome at Alexishafen in New Guinea, while attack planes bombed and strafed the trails from Guadalcanal to Salamaua.

Ground forces, the communique said, surprised and destroyed four large enemy barges in the mouth of the Waria river of New Guinea.

20 per Cent Withholding Tax Tentative

WASHINGTON, March 1—(AP)—A plan to withhold 20 per cent of taxable income from the pay envelopes of the nation's 31,000,000 wage and salary earners, starting July 1, was approved tentatively Monday by the house ways and means committee on pay-as-you-go taxation.

This plan would provide for weekly, semi-monthly or monthly deductions from income which would be accumulated and applied to actual taxes computed at the year end. It would not be an additional tax, but would cover the present taxes on first bracket incomes and also the victory tax. All taxpayers would pay the first two installments of 1942 taxes as usual. These are due March 15 and June 15 this year.

The committee postponed indefinitely any action on the issue of canceling a part or all of a tax year, including the proposal by Beardley Ruml, chairman of the Federal Reserve bank of New York, to skip 1942 on the tax calendar.

Supporters of the Ruml plan said privately, however, they would carry their battle to the house floor, with the "abate-a-year" proposal to be offered as an amendment to any current legislation reaching the floor.

Mileage Cut Asked

WASHINGTON, March 1—(AP)—President Roosevelt Monday asked all federal departments and agencies to appoint "mileage administrators" in an effort to achieve a 40 per cent reduction in the mileage of government cars.

American Bomber Razes Fortress on Gizo Isle



This graphic "shot," taken from a navy Flying Fortress whose starboard wing tip is discernible at extreme right of this photo, shows the fire and destruction left in their wake by US Flying Fortresses which carried out a bombing sortie on Japanese installations on Gizo island in the Solomons group. The raid was part of a triple-pronged aerial thrust against the enemy during the fight for Guadalcanal.—IIN Soundphoto.

Reds Sweep on Northern Front

RAF Raiders Bomb Berlin

Hard Round-the-Clock Attacks Continued; February Record

LONDON, Tuesday, March 2 (AP)—Carrying on the terrifying dawn-to-dawn air attacks against the axis, British bombers Monday night raided Berlin for the 58th time and started fires in the reich capital, the Berlin radio announced early Tuesday.

The broadcast was confirmed a short time later by a terse British announcement that the RAF had bombed the German capital, but no details of the raid were disclosed.

Berlin said that a "large number" of the raiding planes were shot down, and this was interpreted in unofficial quarters here as an admission that a heavy blow was struck. The Berlin, Paris, Calais and Danish Kalandborg radios all were off the air Monday night between 8:52 p. m. and 9:18 p. m. Before they were silenced announcers broadcast repeated warnings for listeners to take particular care to insure tight blackout.

The allied blows at axis strongholds on the continent have been growing in intensity almost without letup since the greatest blitz of the war was launched on February 25.

All but two of the previous raids have been at night. British and Canadian bombers dumped more than 1000 tons of explosives Sunday night on the German submarine base at St. Nazaire.

The thunderbolt fleet spread great destruction in the French port in a half hour of concentrated attack which swamped the Nazi defenses. Five bombers were (Turn to Page 2—Story F)

Tonight Ends Gandhi Fast

POONA, India, March 1—(AP)—Mohandas K. Gandhi went through the 20th day of his three-weeks fast Monday with his strength no weaker and his spirits good, attending physicians said.

First Family Plans Garden

Washington, March 1 (AP)—The White House will grow a demonstration victory garden, Mrs. Roosevelt said Monday, if the agriculture department finds the ground is fertile enough.

The department discouraged the idea last year. Reporters at Mrs. Roosevelt's press conference commented that roses grow well on the White House south lawn. Mrs. Roosevelt said she'd ask about the soil, adding it is important that people find out about their soil, and also learn the how and what of victory gardening, before undertaking vegetable growing.

The first lady said it's about time for an American woman's land army to help with the crops — and she'd like to see it on a basis comparable with other work and service. She doesn't see a need for military status for such a unit, but she does want a government basis for benefits and uniforms such as other war workers get.

13 Found Dead In Montana Coal Mine

BEARCREEK, Mont., March 1 (AP)—Thirteen men were known dead and 61 others were unaccounted for Monday night as rescue crews pressed farther into the sloping tunnels of the Smith coal mine where an unexplained explosion trapped the men Saturday morning.

Ten bodies were found Monday night. An invisible wall of "white gas," deadly carbon monoxide, held back weary rescue crews struggling to reach miners entombed two miles under-ground here for more than 53 hours.

A suction fan was put into action at an airway opening near the adjacent Foster mine in an effort to discharge the carbon monoxide fumes which lingered after an explosion caused a series of cave-ins and trapped the workers Saturday morning.

J. Lobdell, Salem, now employed in the automobile division of the state department, has read with extra interest and a feeling of personal loss stories of the Bearcreek mines disaster. For 15 years a foreman for these mines, he left after an injury a few years ago. His brother-in-law is owner of the mines, and numerous friends are believed included among the victims.

8th Offensive Overruns Area

Demyansk Captured As Big Toll Taken; Dnieper Neared

By The Associated Press
The dogged Russians, slowed down in the south by the approach of spring, were on the march in the northwest Monday night with a new offensive between Moscow and Leningrad, reporting that 302 towns and settlements already had been overrun and 11,000 axis troops killed or captured.

The most important city captured was Demyansk, 48 miles southeast of Staraya Russa. This new and powerful thrust, the eighth major offensive thrown in by Stalin since last November, was announced in the first special communique of the soviet command to be issued in more than a week, and the size of the operation was indicated by the disclosure that an entire German army—the 16th—was under attack commanded by the ace Red commander, Marshal Semyon Timoshenko.

The soviet command declared that the Nazi lines had been broken in several sectors and that "a serious threat of double encirclement for the German fascist troops" had been created. It was (Turn to Page 2—Story D)

Workers Begin Protest Meet

SAN DIEGO, Calif., March 2—(Tuesday)—(AP)—Consolidated Aircraft Corp. workers began at 12:30 a. m. Pacific war time, Tuesday what union leaders said would be a 24-hour special meeting "protesting the long delay in settling inequalities in aircraft wage rates."

As the session started, H. C. Brown, district lodge president, warned that "No employe should dismiss his or her regular shift of work to attend this meeting as it will be in progress 24 hours." He called for a full attendance of night shift workers at 10 a. m. Tuesday and of day shift employes at 7:30 Tuesday night.

Union leaders said the meeting would be advised of the present status of the aircraft wage case, which has been pending before the war labor board since last July. If the WLB's decision is announced during the progress of the meeting, members will consider it at that time, Brown said. (See Boeing story on page 2.)

Tunisian Enemy Pursued

'Magnificent' Help Given by Air Arm; German Loss High

By WES GALLAGHER

ALLIED HEADQUARTERS IN NORTH AFRICA, March 1 (AP)—Beaten back in five local attacks in northern Tunisia, the Germans were disclosed Monday to have made a three-mile gain in a sixth assault at the cost of heavy casualties.

This thrust was toward Beja and had carried to three miles beyond the town of Sidi Nair, which itself is 18 miles northeast of Beja and 40 miles west of Tunis.

To the south, in Central Tunisia, allied forces continued their advance beyond recaptured Kasserine pass, and toward the enemy position of Shetia where meeting no opposition in their pursuit of the retreating forces of Marshal Rommel.

In southeastern Tunisia, patrols of the British Eighth army were probing the axis line.

The fighting in the north—which had not seriously threatened the allied positions—ended three days ago. Repulsed five times, Col. Gen. Judgen Von Arnim threw in a concentrated tank and infantry assault in the Beja sector to score his local gains.

He suffered heavy losses, allied headquarters announced, "both in men and tanks." (The allied communique reported that enemy attacks in the Beja sector continued all day Sunday, adding: "These attacks were in every case thrown back." It thus appeared that Von Arnim's gains were made in action subsequent to those mentioned in the communique.)

A French communique reported renewed enemy attacks were repelled in the Medjer-El-Bab sector and that other fronts held by French troops generally were quiet except for artillery exchanges and patrols.

The support given the ground forces by the allied air arm was described as nothing short of magnificent; allied pilots reported scores of hits on German armored cars, tanks and trucks and on enemy transport crowding the roads in the Beja, Medjer-El-Bab, Bou Arada and Pont Du Fahs areas.

Aside from all these attacks, allied airmen struck hard at enemy landing grounds and troop concentrations in the vicinity of the axis-held Fort of Gabes and at communications between Sousse and Sfax. Five enemy fighters were shot down in allied bombing operations; and from all operations 12 allied planes were missing.

The heaviest allied air assault of all was delivered against the axis supply port of Gagliari, Sardinia. Two waves of Flying Fortresses went over the town under escort of lightning fighter planes. The first wave met no opposition but the second was challenged by nine German Messerschmitts and two Italian planes were shot down there. Four axis ships in the harbor were hit and large fires were set off.

Bay Windows To Be Shrunk

WASHINGTON, March 1—(AP)—Well-fed legislators and others in Washington carrying "bay windows" were promised a bit of shrinking Monday by Rep. Wilson (R-Ind.), in a speech before the house entitled "We're Over the Hill in the Poorhouse."

Pleading for greater production to meet this country's and the world's growing food demands, Wilson said farmers are already doing their utmost and must have further assistance, adding:

"And while most of the farmers I know can't afford to lose many pounds, there are thousands of bay windows in Washington that will look better for a little controlled diet, and believe you me, they'll get it!"