

## US Finances Good, Morgenthau Says

### Oregon Drive Opens With Parade and Solicitations

Oregon's second war loan drive was officially launched with a parade and patriotic program in Portland and an intensified solicitation by a picked staff in Marion county for subscriptions to start the ball rolling toward the \$100,000,000 state goal.

Salem as seat of the state government gave the campaign a heartening sendoff with the announcement that the state bond commission had authorized a \$5,000,000 state fund investment in federal government securities from the new second war loan issues. The commission bought \$3,000,000 worth of short term obligations and \$2,000,000 in 2 percent treasury bonds due in 1952.

One hundred workers were carrying on the campaign in Marion county toward exceeding a \$6,000,000 quota, Chairman J. J. Gard announced.

One of the early sales was of a \$50,000 bond to one Salem purchaser.

The Marion county war savings staff headed by Frederick S. Lampert and his associate chairman, Joseph B. Felton, was assisting Gard's committee. All series E, F and G bonds sold during April will be counted toward the county's second war loan quota.

"We have every confidence that Marion county will go well over the top to her share in keeping Oregon in the lead nationally financing the war," Chairman Gard declared. "Early reports Monday were most encouraging."

Buying war bonds instead of being forced to do so is "a democratic privilege," Lt. Col. Alfred Kelley, executive officer at the Portland air base, said, at the kickoff program in Portland.

Campaign leaders asked every man, woman and child to purchase a minimum of \$100 worth of war stamps or bonds.

## PGE Briefs Deny Profits Are Too High

PORTLAND, April 12-(AP)—The Portland General Electric company Monday filed an answer denying charges of Public Utilities Commissioner Ormond R. Bean that its rates and profits are excessive.

Bean recently instituted action to force the company to make rate reductions of \$700,000 and to impound an equal amount of "excess earnings" from 1942 for the benefit of its customers.

Mounting costs because of war conditions and loss of income due to Bonneville competition and dimout restrictions were cited by the company as financial obstructions to rate revision. The company agreed, however, to negotiate any reasonable adjustments justified by present and prospective conditions.

In its answer, filed with the public utilities commission, the company listed net 1942 income at \$4,355,587.88, representing a return of 6.95 percent on its rate base of \$62,679,553.50. It contended this was not excessive in view of the temporary nature of war plants served and possibility of further increases in operating costs.

Bean charged that rates in the Portland area are unjust and discriminatory as compared with those in effect at Salem. The company asserted it had been forced to abandon its former rate system because advocates of public ownership attacked it. A cost-plus system was substituted, the company said.

## Corvallis Man Listed Missing

WASHINGTON, April 11-(AP)—Three Oregon men were among 269 United States soldiers listed by the war department today as missing in action on the world's war fronts.

The next of kin live in 42 states and Canada.

The list includes from Oregon: Brenner, Staff Sgt. Norman A. Mother, Mrs. Elizabeth Brenner, 3404 South East 51st St., Portland. Cuddeback, First Lt. Aaron E. Father, S. V. Cuddeback, 1915 Fairmount, Eugene.

Loves, Staff Sgt. Lawrence C. Father, Ole J. Loves, 625 South 75th St., Corvallis.

## War Rally Launches \$113,000,000 Bond Loan Campaign

NEW YORK, April 12-(AP)—Secretary of the Treasury Morgenthau Monday night declared that America must raise \$70,000,000,000 through war loans this year and possibly pay more taxes to launch the United Nations' second front.

Morgenthau spoke at a rally in Carnegie hall marking the opening of the \$13,000,000,000 second war bond drive.

Nearly 3000 persons jammed the hall, bedecked with flags of the United Nations. Members of the WAACs, the WAVES, the SPARS and the marine corps

LONDON, April 12-(AP)—Chancellor of the Exchequer Sir Kingsley Wood presented Britain a 1943-44 budget of 5,156,000,000 pounds (\$20,624,000,000) Monday to carry the nation into its fifth year of war and proposed that 56 percent of this amount be raised by taxation with the help of record new levies on luxury items.

shared the stage, their uniforms serving as a backdrop behind the speakers' dais.

Stating that "the situation is well in hand," and that "we know how much money our armed forces will need," the secretary said:

"The second front is no military secret. We all know that, just over the horizon, we of the

## To Hasten Victory

No American wants this war to go on a minute beyond the time we can bring it to a victorious end. To hasten that victory—to save possibly the lives of millions of our boys on our far flung fronts—it is imperative that every American do his part in the Second War Loan. There is an investment to be made every year. The most you can do is little enough compared with the sacrifice offered by our boys in service. They give their lives—you lend your money.

United Nations are piling up the thunder-clouds of the greatest attack in history. We are massing for that attack now. The planning, the patient preparation, the

## Youth Calm In Relating Slaying Story

PORTLAND, Ore., April 12-(AP)—Fifteen-year-old Rudolph David Roth Jr., calmly confessed in municipal court Monday the slaying of his father.

Taken before Judge J. J. Quillin for preliminary hearing, the youth said he had no attorney and didn't need any because "I'm guilty of murder."

He waived preliminary hearing, and was ordered held for the grand jury. A first degree murder charge was filed against the boy.

His father, Rudolph, 51-year-old bakery owner, was fatally shot in the head as he lay asleep at his home, police said.

District Attorney James R. Bain said young Roth recently released from a juvenile home, also admitted he intended to kill his sister and mother, too. He abandoned this plan, Bain said, after slightly wounding his sister in the leg, because he had only one bullet left.

## Draft Class Revisions Ordered

### 3-Bs Eliminated; Father Induction Expected July 1

WASHINGTON, April 12-(AP)—Selective service revamped draft classes Monday preparatory to inducting into the armed services this year every able-bodied male between the ages of 18 and 37, inclusive, except the following:

1. Men employed full-time in essential farming.
2. Men irreplaceable in essential non-agricultural jobs.
3. Men whose induction would mean "extreme hardship and privation" to dependents.

The changes in classification swept away dependency deferments for childless men, added thousands of men to the "fathers class," created a special class for men whose induction would mean extreme hardship, and eliminated altogether the 3-B classification established a year ago for men with dependents and engaged in essential occupations.

Manpower Commissioner Paul V. McNutt, who has general charge of selective service, told reporters the revision of regulations is intended to postpone fathers "as long as possible," but it was indicated that the job raising the armed forces to a total of 10,800,000 men by the year's end would necessitate lifting the present ban on the induction of fathers by about July 1.

The revision of regulations was coincidental with a new outcry in congress that family men should not be drafted so long as any others are available.

The viewpoint in congress is (Turn to Page 2—Story A)

## Hull 'Fed Up' At Questions On Trade Act

WASHINGTON, April 12-(AP)—Secretary Hull motored up Capitol Hill Monday to urge continuation of the reciprocal trade treaty program and found himself the brunt of a republican attack which stirred his Tennessee anger to the point where he acknowledged himself "fed up."

The 73-year-old secretary presented a 3,000-word statement to the house ways and means committee. He said any curtailment or repudiation of the trade treaties would be a clear indication to other countries that the United States does not intend to bear its full share of responsibility in peacetime.

Then republican members of the committee started questioning Hull. Rep. Gearhart of California declared the trade agreements are an economic failure and have won this country the nickname of "Uncle Sap." For an hour, Gearhart tried to draw from the secretary an assent to the Californian's contention that other nations have taken undue advantage of the trade plan, first authorized in 1934 and close to Hull's heart.

Finally Hull said: "The gentleman is headed straight down the gulch of extreme nationalism that got us in this mess and I hope the Lord takes care of him."

Then turning to Chairman Doughton (D-NC), the secretary said: "I'm getting a little bit fed up on the nature of these questions and the number of them."

## 100 Jap Planes Bomb Moresby, 37 Shot Down

### Allies Attack Rabaul, 3 Other Enemy Bases

ALLIED HEADQUARTERS IN AUSTRALIA, Tuesday, April 13. (AP)—The Japanese flung 100 planes at Port Moresby Monday in their heaviest aerial attack of the war in this theater, but 37 of them were shot out of the skies or badly damaged in new losses so severe that the enemy's aerial offensive apparently has been curbed, allied headquarters announced Monday.

In two days the Japanese have lost 76 planes, the new communication asserted, adding that "it is

WASHINGTON, April 12-(AP)—Australia is bearing the brunt of the war with Japan in the Pacific and needs more help quickly, Dr. Herbert Evatt, Australian minister for external affairs, said Monday.

believed the enemy's air offensive has been blunted and his immediate plans dislocated."

Besides the toll of 37 Japanese planes taken in the attack on Port Moresby, main allied base on New Guinea, 15 others were lost in other actions Monday, the war bulletin said.

Allied bombers soaring on wide, punishing raids themselves sank an enemy submarine off New Britain island, bombed enemy shipping in different areas damaging at least two of them, and slashed at Japanese airfields. One allied heavy bomber fought single handed against 12 Japanese fighters intercepting over Wewak and in a 30-minute running battle knocked down seven of them with only "negligible" damage to itself, the communique said.

Bitter dogfights swirled over the airbase areas of Port Moresby as allied planes shot up to intercept the attacking formations—evenly divided between combat

## Dike Break Threatens Iowa Town

OMAHA, April 12-(AP)—Breaks in two dikes protecting the east end of Omaha from the Missouri river sent flood waters Monday night into the 10-square mile Carter lake basin and threatened to inundate the Omaha municipal airport and the village of Carter Lake, Ia.

The first break occurred in the main levee which hitherto had held the swollen river in check, and about four hours later another break occurred in a smaller temporary dike recently thrown up south of the river where it bends toward the east.

Lieut. Col. D. S. Davis of the army engineers, who toured the Carter Lake area, said the water probably wouldn't reach the airport until Tuesday morning.

By 10 p.m. all persons had been removed from the danger zone, Col. Davis said.

The water poured through a 20-foot break at the northern end of the dike, sending workers scurrying to safety. Directors of the battle against the rising "Old Muddy" said chances of stemming the water appeared slim.

Police rushed to the scene as 2300 soldiers and civilian workers faced the task of repairing the break.

# Nazi Army Backed Into Corner Expected To Make Final Stand



Axis forces (broken arrows) abandoned Mahares and Mezouna in central Tunisia as allied land and air forces continued to hammer them from all exposed sides. Black arrows indicate allied drives. —Associated Press Map.

## Reds Repulse Five Attacks

### 2000 Germans Dead In Futile Move To Storm Russ

LONDON, Tuesday, April 13 (AP)—German troops springing from trenches launched five heavy attacks Monday at Soviet lines before Volkovo, 80 miles southwest of Leningrad, and were beaten back after losing more than 2000 men in a bitter flare-up of hand-to-hand fighting on this long-quietest northern sector of the Russian front, Moscow reported early today.

All the attacks were flung back, the last one by a soviet counter-blow, and the Germans left more than 2,000 dead on the fields and in the trenches after fighting so bloody that prisoners were listed as only "several dozen," by the midnight communique as recorded by the soviet monitor.

The waves of German infantry swarmed from the long-established trenches five times in assaults against Marshal Semeon Timoshenko's forces, with the last charge, supported by heavy artillery fire, driving a wedge into Russian lines.

"Our men flung the enemy back (Turn to Page 2—Story D)

PORTLAND, April 12-(AP)—A work-or-fight labor stabilization plan went into effect Monday at Portland war plants employing some 120,000 persons.

Labor unions and 60 war plants ratified the plan, which provides for employers to notify draft boards when a worker quits or is dismissed for cause.

A worker may not quit one job for another without a clearance slip.

## C of C Mulls Farm Labor

### Official Interference Rapped by Members As Conclave Opens

Confidence that Oregon could meet its harvest labor problems provided there was no interference from Washington, DC, was generally expressed at a conference of chamber of commerce secretaries and agricultural leaders at the state capitol Monday.

Emphasizing success of this state's agricultural labor plan utilized in 1942, Dean William Schoenfeldt, of Oregon State college, said he hoped there would be no change in the setup during the 1943 season.

"About the only trouble we are having at the present time is conflicting directives from Washington," the dean declared.

State Sen. Dean Walker, Independence, urged the conferees to keep in mind the danger of competition among agricultural groups. "It is imperative that wages be kept at such a level that producers can operate under ceiling prices," Walker explained. "The federal government is the most serious competitor of the farmer in the labor field."

Farmers this year more than ever apparently will have to depend upon the assistance of businessmen, housewives, office clerks and school children to assist in the harvest, Gov. Earl Snell told the group.

Rex Putnam, state superintendent of public instruction, warned the chamber secretaries against general demands for early closing of schools. Labor problems are local and must be met by local decisions, he said.

Because most teen-age youths want to enter military service, "agriculture probably will have to replace them with other help," Lt. Col. Carlton E. Spencer, assistant state selective service director, reported. Recent changes in deferment regulations may, he said, bring temporary assistance to agriculture.

Other speakers represented the Grange, the Farmers Union, 4H clubs and the US employment service.

The conference is to continue today at the Salem chamber of commerce quarters, with emphasis on community industrial problems brought on by the war. The state chamber secretaries' association also is to hold its annual business meeting there today.

## B24 Crash Kills Ten Crew Members

TUCSON, Ariz., April 12-(AP)—Ten men, the entire crew of a B-24 bomber, were killed when the big four-motored craft crashed three and one half miles southeast of Davis-Monthan field shortly after 6 a.m. Monday, the public relations office at the base announced.

Officials said only that the plane was on a routine training flight

## Axis Tunisian Forces Dig in At Enfidaville as Montgomery Sets His Men for Finish Drive

ALLIED HEADQUARTERS IN NORTH AFRICA, April 13 (AP)—Plunging northward with almost reckless speed toward a final accounting with Marshal Erwin Rommel's Africa corps, the British Eighth army occupied Sousse Monday, almost within gunshot of the new axis mountain line anchored near Enfidaville.

Though impeded by demolitions, Gen. Sir Bernard L. Montgomery's eager veterans covered the 75 miles from Sfax, which they captured on Saturday morning, in exactly 48 hours. Rommel's rear guard put up only slight opposition as it raced a

## Folkes Trial Defense Opens

### Key Witness Negro To Identify Folkes As Man He Saw

ALBANY, Ore., April 12-(AP)—Marine Private Harold Wilson, key state's witness in the murder trial of Robert E. Lee Folkes, said Monday he could not identify Folkes as the man he saw climb from berth lower 13 after Mrs. Martha Virginia James was slashed in the throat.

With a dramatic pause in the midst of routine cross-examination of Wilson, Defense Attorney Leroy Lomax pointed to Folkes, 20-year-old negro second cook on the limited train the comely Norfolk, Va., bride of a navy officer was riding when she was slain January 23.

"Is this the man you saw coming out of the berth?" Lomax asked.

"I don't know," Wilson, 22-year-old marine who occupied upper 13 on a routine transfer trip to San Diego, said without a moment's hesitation.

Wilson, only witness disclosed by the state thus far to have seen the killer of Ensign Richard F. James' 21-year-old bride of four months, had told Friday in direct testimony how he looked from his berth, saw a man emerge from lower 13 in the pre-dawn darkness and run out of the car. Wilson said he gave chase but was unable to find the man aboard the train.

Lomax, still suffering from bronchitis and influenza, broke off his examination of Wilson with a request for a recess until afternoon. When court was reconvened at 2 o'clock, Circuit Judge L. G. (Turn to Page 2—Story E)

## Salem Flier Recites Tale Of Excitement

PORTLAND, April 12-(AP)—Capt. Wilmer McDowell, army flier in India, in the space of one week participated in an air battle, survived a crash landing, received a promotion and became a movie actor.

A letter from the flier, son of Mr. and Mrs. Arthur L. McDowell, Salem, said, "I've had some pretty thrilling experiences during the last week. I had to cut short in a sentence of this letter to prepare for a take-off. I led a formation of bombers on several raids. It seems I had to make a crash landing because the little Nips got lucky with their ack-ack and shot a part of my left wheel off."

"It so happened that there were some cameramen here making a movie on the life of a Pearl Harbor widow and they got some newsreel shots of my crash landing. The whole thing tied up with the rest of the story, so my copilot and I are the stars in the picture. So for the past two days, I've been acting. We'll finish it tomorrow."

On his return to his home base, the flier learned of his promotion from first lieutenant to captain. He is a former Willamette university student.

## Marshal Field Takes Sun Editorial Post

CHICAGO, April 12-(AP)—The Chicago Sun announced Monday night that Marshal Field, founder of the newspaper, had taken over direction of the editorial page, and that Turner Catledge, editor of the publication, had resigned to return to the New York Times.

final 25 miles under a hail of aerial bombs to join the bulk of German and Italian forces now concentrated behind emplacement running from Enfidaville 41 miles northwestward to Pont Du-Faha.

It was announced officially that the Eighth army had captured 20,000 prisoners since March 20.

Kairouan, Moslem holy city and big axis aerial base 34 miles southwest of Sousse, was abandoned to British and American forces Sunday, and surviving German armor

WITH AMERICAN FORCES IN SOUTHERN TUNISIA, April 12-(AP)—Lieut. Gen. George S. Patton, Jr. in an order of the day congratulated his troops of the second corps Monday on the successful conclusion of the hard, 22-day battle for El Guestar, asserting that "the splendid record of the American army has attained added luster."

was streaming across the plain northward to escape being caught in an allied entrapment. One tank force was intercepted 12 miles northwest of Kairouan and field dispatches said 18 of the mobile forts were destroyed.

The second US army corps under Lieut. Gen. George S. Patton Jr., took Faid pass without opposition, partly avenging the defeat suffered there when Rommel struck westward in his drive toward Tebessa early in the Tunisian campaign.

American and British air forces continued to strike terrible blows, converting scores of enemy vehicles into scattered wreckage and virtually wiping the axis from the skies. A total of 41 enemy planes were destroyed Sunday against a loss of only 14 allied craft.

Thirty of the enemy planes downed yesterday were big three-motored transports, trying suicidally to cross the Sicilian straits with gasoline and other supplies for Rommel's forces. American aircraft alone have destroyed at least 84 enemy planes of all types in the past few days.

With the captives of the last few days, the Eighth army now has taken more than 100,000 prisoners since El Alamein, and the enemy has left a trail of thousands of graves over a 2,000-mile stretch from the flat sands of Egypt to the grassy hills of Tunisia. About 80 percent of the prisoners are Italians, left behind by the withdrawing Germans. The Americans, French, and British First army have seized several thousand more prisoners, many of them Germans.

Rommel's army is but a battered skeleton of the powerful fighting machine that he sent into the Nile valley last summer, but it is still resisting.

Now the axis grasp on Africa is reduced to a small corner of northeast Tunisia, and the question is only how long it will take to exterminate those last remaining enemy troops.

The area has good natural defenses, but the shortening of the lines means the allies can put greater pressure than ever upon it, and hit the concentrated troops better in air attacks.

(A Rome radio commentator said: "It is a grave moment. . . . Our is an unequal duel considering the overwhelming superiority in weapons and planes of our enemies.")

"Light bombers and fighter-bombers of the tactical air force in a day of intense activity carried out continuous attacks on enemy positions, lines of communications and transport," an allied communique said.

Flying Fortresses bombed the docks and shipping at Tunis—one of the two possible "evacuation" ports left to the axis since Sousse fell—scored on four merchant vessels and blasted ships and docks in Sicilian ports. Marsuder medium bombers escorted by Spitfires spread destruction among 28 axis planes at the Oudna landing ground 15 miles south of Tunis.

## Russians Devastate Nazi Equipment



Smoke and flame rise from burning German equipment in its recent winter offensive. This scene is from an official Soviet film.—Associated Press Telemat.