

IT SEEMS TO ME

By Charles S. Stryker

IT SEEMS TO ME that while most people know that the Second War Loan of last April was a great success, they are also interested in the final report which shows just how great a success it was. Since it was a popular undertaking, with millions of people participating, the highly gratifying results should make the chests of all true Americans bulge with pride. Asked to produce 13 billions of dollars for their government, the people bought 18 1/2 billions worth of bonds. As Secretary Morgenthau says, this response should convince the axis that we are in this war to the finish. Naturally the secretary is pleased, because it makes unnecessary for the present at least, any forced savings plan which many authorities thought would have to be resorted to, in order to provide funds to carry on the war. Now for the statistics, which I will make as painless as possible. In this second war loan the country subscribed for 18 1/2 billion dollars worth of bonds. In all five of the old "Liberty Loan" drives of the first world war the total raised was only 21 billions of dollars. In this second war loan the amount was raised in three weeks; in the five drives of the first world war 18 weeks were used for the campaigns.

Where did the money come from for this second war loan? Commercial banks over-subscribed their portion of 5 billions; but they were allotted only that total. The goal set for insurance companies and corporations was 5 1/2 billions; they subscribed and were allotted 9 1/2 billions. Individuals made the response which was hoped for, buying 3 3/4 billions worth of bonds against a goal of 3 1/2 billions. In the first war loan purchases were only (Continued on Editorial page)

School Budget Within Limits Despite Raises

Although the war emergency has forced salaries and costs of maintenance up more than ten percent, the proposed budget of the Salem public schools was kept within six percent of last year's budget by the officials of the Salem schools and was approved by the budget committee Tuesday night.

Even with the increased budget this year, taxpayers of the Salem school district will be paying 25 percent less because accumulated income tax funds were distributed to state schools on a basis of average daily attendance and thereby lowered the tax levied in mills from 25 to 16.

Reserve funds permitted by an act of the last legislature will be established this year and will be added each year pending the end of the war when materials for improvements will be available and accumulated funds might be spent to the best advantage, Frank Bennett, Salem school superintendent, said after the Tuesday meeting.

In addition to other war measures passed by the budget committee an emergency fund was set up to assure adequate funds for the education of students whose (Turn to Page 2—Story D)

Salem Firm Given Contract

WASHINGTON, June 8 (AP)—The war department Tuesday announced award of the following construction contract amounting to more than \$100,000 (contractor, job, its location, and supervising army engineer office):

River Bend Sand and Gravel company, Salem, Ore., construction of apron and appendages, Ada county, Idaho; Portland, Ore., district engineer.

Filing of Referendum Extends State 'Hard Wine' Fight to November, 1944

By RALPH C. CURTIS Oregon wine stores' privilege of selling wines whose alcoholic content exceeds 14 per cent by volume was extended—hardly a discovery of flaws in the referendum procedure, or the calling of a special election—until November, 1944, on Tuesday when petitions containing more than 10,000 signatures were filed, referring the already battle-scarred measure to the voters.

On the face of things it may appear that the Burke bill fight is thereby revived, merely transferred from the legislative halls to a statewide battlefield. Careful analysis of its history to date leads to the contrary conclusion that the Oregon wine council, whose Secretary Ralph Staley brought the completed petitions to Salem several hours ahead of the deadline,

Churchill Sees Imminent Invasion

The Oregon Statesman

FOUNDED 1851

NINETY THIRD YEAR

10 PAGES

Salem, Oregon, Wednesday Morning, June 9, 1943

Price 5c.

No. 63

Yank Airmen Down 19 Zeros in Pacific

US Loses 7 Planes In Fight

Jap Raid Believed Bound for Bases In Russell Group

WASHINGTON, June 8 (AP)—For the second time in three days, Japan's South Pacific air force suffered a severe defeat at the hands of American airmen Monday, the navy reported Tuesday.

In a battle giving fresh evidence of qualitative superiority of American planes and pilots, the enemy lost 19 zero fighters out of a flight of 40 to 50 fighters and bombers apparently attempting to raid United States positions in the Russell group of the Solomon Islands. In addition six zeros were damaged. Seven of our planes were lost but three pilots were saved.

A navy communique announced the latest south Pacific air victory shortly after Secretary Knox disclosed at a press conference that Admiral Ernest J. King, naval chief, had conferred with Admiral Chester W. Nimitz, Pacific fleet commander, on plans for the prosecution of the war in the Pacific theater.

It was assumed that King had informed Nimitz of the overall results of the recent conferences here among President Roosevelt, Prime Minister Churchill and their respective military and naval advisors.

King met Nimitz last week at about the same time that Gen. George C. Marshall, army chief of staff, met Gen. Dwight D. Eisenhower, the American commander in the Mediterranean area, in north Africa.

Knox said that he knew of no major change in the allied strategy relating to the Pacific, particularly as far as assignment of forces goes. The gradual strengthening of the Pacific fleet is still going on, he said.

The navy communique reporting the fight over the Russell Islands also disclosed the latest information from Attu Island where victorious American army troops are slowly cleaning up the few remaining Japanese.

On Monday, the war bulletin said, 11 of the enemy troops killed themselves with grenades after they were surrounded in Chichagof valley. Eight others were killed by American soldiers, and the total known enemy dead through Monday stood at 1826 for the Attu campaign.

Construction Set
VANCOUVER, Wash., June 8 (AP)—Representatives of Henry J. Keiser said Tuesday a \$200,000 project for 34 homes for executives of the Kaiser shipyard and hospital here will begin as soon as the government grants priorities on materials.

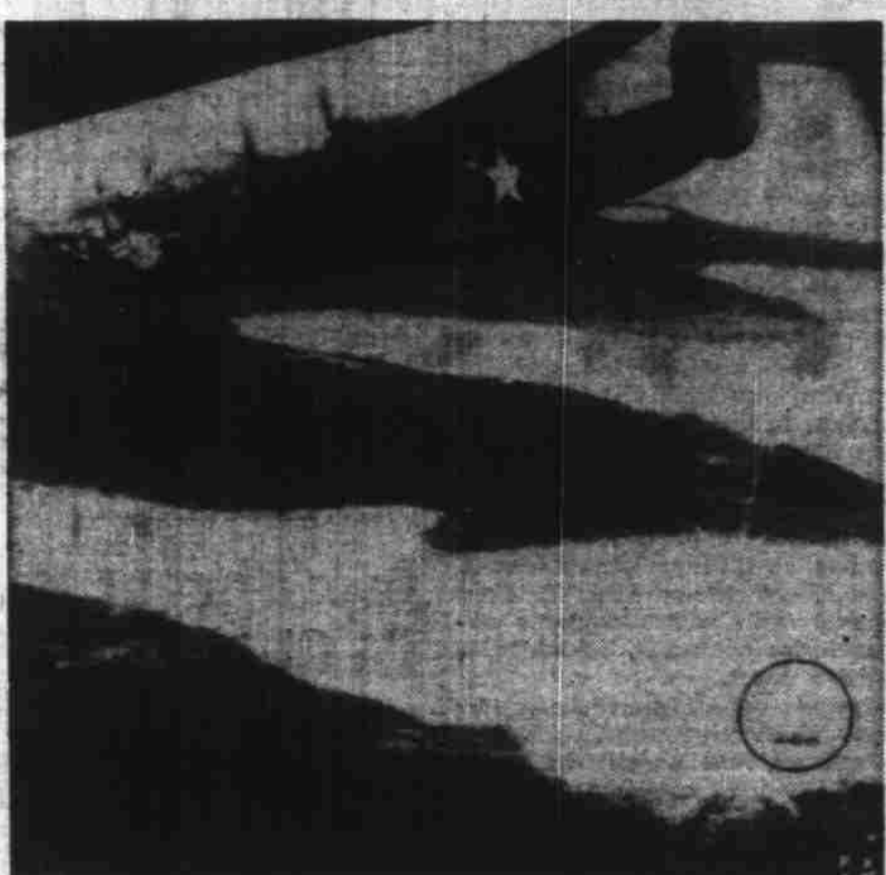
Escort Carrier Crashes Bridge

PORTLAND, June 8 (AP)—An aircraft escort carrier crashed into the Morrison street bridge Tuesday and city officials said the span would be out of service for two or three days.

Only slight damage to the carrier's superstructure was reported by the navy but a large wooden timber on the bridge draw which carries trolley wires and some shaft latches were broken. The mishap occurred as the carrier was being maneuvered down the Willamette river by two tugs.

Damage Suit Filed
PORTLAND, June 8 (AP)—Irwin L. De Shetler, CIO shipbuilders union organization director, Tuesday filed an \$80,000 damage suit in circuit court against the Portland Traction company. The complaint charged the company with removing 75 union advertising cards from buses in violation of a contract.

US Bomber Scores



This B-24 US bomber, "Hell's Belle," roars on after hitting a Jap transport (circle) in an attack on the 500-ton vessel off Kairiru Island on the north coast of New Guinea. The transport is left afire. (AP Teletext from US Army Air Forces.)

Jap Shipping Gets Pounding by Bombs

ALLIED HEADQUARTERS IN AUSTRALIA, Wednesday, June 9 (AP)—Japanese shipping in both the northwestern and northeastern sectors of the island perimeter above Australia came within the bombsights of American bombers Tuesday with the heaviest blow falling on vessels in the harbor of Waingapoe, Soemba island, of the lesser Sunda group.

There a formation of Liberators attacked in mid-morning, finding a 5000 ton cargo ship and two transports of between 3000 and 4000 tons as well as a gunboat. The ships raised a heavy curtain of anti-aircraft fire which was supported by some shelling from land positions but the B-24s managed to damage the largest vessel with two near misses of 500-pound bombs.

Soemba is an island in the lesser Sunda group more than 900 miles west of Darwin.

Off Kavieng, New Ireland, above New Britain, a Japanese convoy was sighted and attacked by an allied bomber on reconnaissance but results were not observed.

Catalinas attacked Babo, 750 miles above Darwin, in Dutch New Guinea, setting off explosions and scoring hits on the airfield runway.

Allied air attacks on the Sunda Islands have been infrequent, entailing long flights without fighter escort.

The Liberators struck at the harbor of Waingapoe. Two 500 pound bombs fell damagingly near the 4000 ton ship.

On Portuguese Timor, the area of Dili was attacked by medium bombers. Fires also were started at Koepang, Dili and Koepang are roughly 400 miles northwest of Darwin.

Medium bombers made the attack on Babo and also struck at nearby Kaimana. The explosions set off at Babo were so great that they rocked the attacking planes at an altitude of 6000 feet.

Principal differences are: Voiding of a previous authorization which permitted sellers to add \$1.50 per thousand board feet to the ceiling price for surfaced boards in marketing rough boards. Sellers must hereafter apply for specific authorization to get more for rough boards, which are produced at additional expense, the OEA said.

For surfacing timbers up to 16 inches by 18 inches in size, the OPA permitted an extra \$2 per thousand to be added to ceiling prices.

The regulation, which takes effect Wednesday, covers all Douglas fir, west coast hemlock and all species of true fir lumber produced in Oregon, Washington and Canada west of the crest of the Cascades, and in California and Alaska.

OPA New Subsidy Blasted

Rollback of Fresh Vegetables Next On Food List

WASHINGTON, June 8 (AP)—Fresh vegetables were put next on the list for rollbacks Tuesday while some congressmen were attacking the whole theory of food subsidies and representatives of grocery interests were telling a congressional committee that OPA regulations already in force threaten to "break down" the country's food distribution system.

Labor representatives countered with a charge that inflation-minded congressmen were attacking OPA to cover their own "stupidity or cupidity, or both."

Shirley Hass, general manager of the Ohio Valley Grocery company, testified before the house small business committee that if the purpose of the office of price administration is to "break down the food distribution system of this country," it has "certainly made lightning speed in that direction."

Judge Joe Montague of Fort Worth, Texas, carried the proposal to the OPA chief, but said he would go into effect as planned. Montague carried his petition to President Roosevelt Monday but said he was advised to go back to price and stabilization officials. He went also to see Chester Davis, food administrator, but reported no headway.

Davis, he said, "apparently doesn't like the subsidy plan, but there is nothing he can do about it."

The vegetable price plan came out in a hearing before the senate banking committee, which was inquiring how far the OPA planned to go in rolling back food prices. Retail butter prices are due to drop about 5 cents a pound this week under a subsidy plan, and subsidies of 2 cents a pound on dressed carcasses, intended to compensate producers for an average retail reduction of 3 cents in retail meat prices in a few weeks, began Monday. Coffee is also on the list for a retail price cut.

Richard Gilbert, economic adviser to Price Administrator Francis M. Brown, told the committee regulations for additional rollbacks were being drafted, with vegetables next in line. He said the vegetable project included no subsidy plan to compensate producers.

Still another committee inquiring into prices heard a defense of the OPA program as "at least beginning to show its muscle" in the rollback.

Donald Montgomery, consumer counsel for the United Automobile Workers, and Jack S. Zucker, Washington representative of the United Shoe Workers, another CIO union, told a senate agriculture subcommittee that opposition in congress to food subsidies is blocking the president's stabilization program. Zucker charged that farm bloc congressmen "want inflation."

Coast Lumber Price Ruling Is Revised
WASHINGTON, June 8 (AP)—Price regulations on Douglas fir and other west coast lumber were revised Tuesday by the office of price administration to consolidate changes made since the original order of a year ago.

Essentially, Attu was the easiest Jap-held or Jap-owned island in the Pacific we will ever take away from him. It took us, with overwhelming force, three weeks—and yet the Jap is fighting in the hills to the last man. Kiska—where the Japs are about five to 10 times as strong—will be harder.

Many strategists have said "The Japs will fold up in six months once we have unquestioned air superiority and have sunk the Jap fleet."

If Attu is an example, that is because. At Attu we had the air and we had the sea and, with fog helping, an unopposed landing. That will not happen often.

Air superiority is not enough to beat the Jap. Both Kiska and Attu have been pounded unmercifully. It did not deter the Jap at Attu and it does not seem to faze him at Kiska. He is still digging in.

Naval superiority is not enough. We had the sea to ourselves except for a few submarines. Our invasion fleet was per-

haps the biggest we ever assembled in the Pacific for such a job. Too, the naval bombardments of Attu did not lift the Jap out of his revetments as we might have wished.

At Attu the Jap was whipped at the point of the bayonet. When I left Holtz, May 22, two Jap prisoners had been taken. Even with Chichagof in our hands, the Jap is fighting in isolated outposts although the resistance is hopeless. Is there anywhere a possibility of a mass Jap surrender as at Tunisia?

Lt. Gen. Simon Bolivar Buckner, jr., head of the Alaska defense command, told me: "We must take a corkcreek and jerk each Jap out of his rathole."

Roosevelt Funeral Held In Alaska

ANCHORAGE, Alaska, June 8 (AP)—Military and civilian friends and admirers paid tribute Tuesday to the late Major Kermit Roosevelt, 53, son of President Theodore Roosevelt, in double services.

Services were held by the army and the Veterans of Foreign Wars in the chapel of the military post. The eulogy was delivered by Chaplain Joseph Applegate. Music was by the air corps chorus under Chaplain Wilmer F. Palmer.

Burial was in Alaska under wartime provisions. Major Roosevelt died June 4. In announcing his death, the war department did not disclose the cause.

Nazis Lose Sharp Fight Near Kharkov

LONDON, Wednesday, June 9 (AP)—Two sharp river battles—with the Germans driven across a river on the western front and repulsed at a waterway below Kharkov—were reported by the Russians early today, while German airposts and the soviet industrial city of Gorki were pounded again in the mighty and unabated aerial war.

The Germans, meanwhile, broadcast the surprising and wholly unconfirmed report that nearly 550,000 Russians had been killed in four great battles in the western Caucasus in the last 45 days—claiming losses which would far surpass the German debacle at Stalingrad. This report was circulated only through the Nazi propaganda channels and was not supported by the German high command or even discussed by the more responsible German "military raddlers" as quoted by the Berlin radio.

In the river battle on the western front, red army units attacked Nazi forces entrenched on the left bank, and "as a result of the fighting the enemy suffered heavy losses and were thrown back to the right bank of the river," said the midnight communique recorded by the soviet monitor.

The Germans attacked in the Lisichansk area, some 125 miles southeast of Kharkov, attempting to cross the northern Donets river, but soviet troops wiped out the (Turn to Page 2—Story F)

Gen. Marshall Reports to FR
WASHINGTON, June 8 (AP)—Gen. George C. Marshall reported to President Roosevelt Tuesday on his recent visit to the Mediterranean theatre of war.

The army chief of staff went to the White House for a noon conference, but neither he nor the commander-in-chief had anything to say afterward.

Newsman Paints Gloomy Picture of Jap Fighter

(Eugene Burns, Associated Press Correspondent with American troops from the Japanese, shot up the Jap fighting man in the following account. Burns has seen the Jap in action at Pearl Harbor and the Solomons as well as the Aleutians.)

By EUGENE BURNS Associated Press War Correspondent
SEATTLE, June 2 (Delayed)—I'm scared of the Jap. After flying more than 25,000 miles in 15 days over and around Attu and landing at both Massacre and Holtz bays' fronts, I am convinced the Jap is the toughest foe in the world. The nazi doesn't come any tougher.

Essentially, Attu was the easiest Jap-held or Jap-owned island in the Pacific we will ever take away from him. It took us, with overwhelming force, three weeks—and yet the Jap is fighting in the hills to the last man. Kiska—where the Japs are about five to 10 times as strong—will be harder.

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Dimout

Wed. sunset 9:00
Thur. sunrise 5:20
(Weather on Page 8)

Axis Says Isle Raid Repulsed

Lampedusa Attack Unconfirmed by Allied Sources

By WILLIAM SMITH WHITE

An allied invasion very soon in the European theatre—and sea attacks of "a peculiar complexity and hazard on a large scale"—were promised Tuesday by Winston Churchill in sober language suggesting that it might come at any hour.

The Germans and Italians, who claimed without confirmation that the first, preliminary allied thrust already had been thrown in against Lampedusa island in the Mediterranean and repulsed, were marshalling their defenses around a continent-wide perimeter.

Hitler, with this great threat upon him, still hung back from the lunge against Russia on his eastern flank that nevertheless still was expected in some of the highest allied quarters.

President Roosevelt, disclosing receipt of reports that the axis nations were making "significant preparations" indicating they intended to use poison gas, solemnly warned the enemies that resort to "such desperate and barbarous" methods against any of the allies either in Europe or Asia would bring instant retaliation in kind.

This was the president's third such warning; Churchill as well has more than once issued a similar one.

Churchill's declaration that the allies were now ready to spring in amphibious operations was made in the house of commons, and he went out of his way to say that these planned actions already had been "fitted into their proper place in relation to the general war."

He made a point, too, that the Pacific—China, Australia, New Zealand—was not being forgotten for a moment in allied planning.

The prime minister stood proud and confident before the commons—reflecting, as he had put it in another connection, that "mellow light shined victory," which he saw playing over the allied cause—and gave to the members the most confident review in the years of his war leadership.

Telling of an American-British strategy and unity of war purpose "brought into full focus and punch" in the Washington negotiations recently concluded with President Roosevelt, Churchill thus proclaimed that the time of decision was now at hand.

"It is evident that amphibious operations of a peculiar complexity and hazard on a large scale are approaching.

"I can give no guarantee any more than I have done in the past of what will happen yet all the same I have good hopes that neither parliament nor the congress of the United States will find themselves ill-served by their forces, whether in the British Isles or on the American shore."

More than once he made it plain that this coming offensive, grand though its conception, was but a part of what had been planned for the three axis enemies.

"The steady wearing down of German and Japanese air forces is proceeding remorselessly," he said in this connection. "The enemy who thought that air would be their weapon of victory are now finding in it the cause of their ruin."

"It is necessary for me to make it plain that so far as the British government is concerned, and also the governments of the United States and of the Russian soviet republics are concerned nothing will turn us from our endeavor and intention to accomplish the complete destruction of our foes (Turn to Page 2—Story C)

Youths Okeh For Certain Lumber Jobs

WASHINGTON, June 9 (AP)—Youths between the ages of 18 and 19 may be employed in certain jobs in the lumbering industry under an order of the children's bureau of the labor department published Tuesday.

The liberalization of employment regulations is the result, said Martha M. Elliot, acting director of the bureau, of advice from the war manpower commission that there are critical shortages of labor in the industry.

Youth within the specified ages, the order says, may be employed in the following occupations: repair and maintenance of equipment; fire patrolman or watchman, log scaling on trucks when performed away from landing camps, peeling or loading posts for fencing, driving of animals, construction and repair of roads, railroads, flumes and camps.