

IT SEEMS TO ME

By Chester A. Spague

IT SEEMS TO ME that congress may have hatched a few chickens of its own—the kind that come home to roost. In denying the use of public funds to pay subsidies permitting the “roll-back” of retail prices on foodstuffs, it is opening the gate to further inflation. It is clear that congress doesn't want the farmers to suffer, doesn't want a “roll-back” which would reduce the price the farmer gets for his produce. It is equally clear that congress will not attempt a “roll-back” on wages, in spite of its anti-strike bills. Labor has already served notice that it will seek to bust through the wage-roof if retail prices remain high. Add all this up, and it is apparent that we can expect further advances in wages and in prices. That was the opinion in Wall Street where stocks took a spurt Monday.

Subsidies were a belated and undesirable method of combating inflation, an attempt to accomplish indirectly what the government was unwilling to do directly. The administration, and this goes for congress too, was quite willing to let wages and prices rise initially; and have never been willing to do more than try to apply brakes. The result is a mal-adjusted wage-price structure which promises to get worse before it gets better. The classes which are profiting least by the war are “frozen” in their wage and salary incomes, and that includes some millions of people the country over.

There are many who throw their hats in air because of the rebuke to the president, who is quite unpopular with the price-booster. They forget that the action of congress fails to solve the riddle of how to maintain and if possible increase production, and how to hold down prices to avoid inflation. OPA's subsidy plan, distasteful as it was, did represent an attempt at solution, about the only one possible under the factors of the problem. It is plain to see that processors, packers, canners, etc., cannot continue to pay high prices authorized by government and demanded in the market (Continued on Editorial Page)

Wood Ration Plan Ordered

“Not Exactly Ration,” Says Officer, but Priorities Needed

SEATTLE, June 28—(AP)—Firewood in Oregon, Washington and the 10 counties of north Idaho will go on an “allocated” basis at midnight Monday night, James C. Scully, office of price administration regional fire rationing representative, announced here Monday.

The area, producer of approximately half the firewood cut in the United States, will be the only section in the country where the allocation plan will be in effect, he said. The new order, the OPA official said, covers forest cordwood, sawdust, pre-logs, mill edgings, shavings and hogged fuel. The plan, he stressed, is not rationing (Turn to Page 2—Story B)

Appropriation Bill Readies

WASHINGTON, June 28—(AP)—The senate completed congressional action Monday on a bill providing \$226,000,000 for the state, justice and commerce departments during the fiscal year starting July 1.

The measure includes \$29,400,000 for the training of civilian pilots for the army by the commerce department's civil aeronautics administration. Under terms of the bill, the pilots will be called into active duty not later than September 1, 1943.

Cherry Family High In Service Roster

Among families in the Salem vicinity which have contributed outstandingly to the nation's fighting manpower should be listed the family of Mr. and Mrs. H. A. Cherry of route 6, box 82AA, Salem.

Pvt. Clarence M. Cherry, now a pre-aviation cadet in the army air force technical training command at Kearns, Utah, is the fourth son of Mr. and Mrs. Cherry to enter the armed services. Upon completion of his basic training which includes the operation of small arms and machine guns, Cadet Cherry will be sent to one of the many colleges operated under supervision of the army air corps, for special training before entering an aviation cadet training center.

Charles, eldest son of Mr. and Mrs. Cherry, is in an aviator's infantry battalion at Camp Cooke, Calif. The other two sons, Robert and Harold Marvin, both are in New Guinea but, though they

RAF Lashes Reich

Germans Hint Ruhr Objective of Night Raid

LONDON, Tuesday, June 29 (AP)—RAF bombers returned to the attack on Germany Monday night, the British announced today, after US flying fortresses had blasted the U-boat pens at St. Nazaire and an enemy air-drome at Beaumont-Le-Roger in daylight yesterday.

It was the RAF's tenth successive night foray over the continent and its eighth raid on Germany in that time. As usual, the preliminary announcement did not disclose the specific targets. The German-controlled Paris radio, however, reported that British raiders were over western Germany during the night, indicating that the battered Ruhr might have been the objective again. The broadcast, recorded by the Associated Press, said the attack “seems to have been on a smaller scale than usual.”

The daylight attacks on two targets described as “important” by the US army's European theater headquarters followed a forenoon blow at axis shipping by light bombers of the RAF, which sank two German vessels, forced a third to be beached and inflicted serious damage on three others.

Making their first assault of the war on Beaumont-Le-Roger, 30 miles southwest of Rouen, the four-engine heavyweights of the 8th US air force set huge fires on an airfield used by enemy fighter planes. It was the ninth American raid on the submarine lair at St. Nazaire.

The US communique, issued this morning well after midnight, said six bombers failed to return for the double-barreled attack, the third blow at targets within Hitler's continental fortresses—American fliers in four—8555.

Returning airmen said the weather was fine for bombing and the headquarters communique declared the results were good at both targets.

The bulletin, which described (Turn to Page 2—Story D)

Police Press Search for Rape-Slayer

While state police continued the search for the slayer of 17-year-old Ruth Hildebrand, funeral services were held for her Sunday in Dallas. Friends packed the Menonite Brethren church when Rev. J. J. Toews read the service. Interment was in the Toss cemetery.

Meanwhile, a number of people in the Dallas, Independence and Monmouth area have come forward with information which they thought vital to the state police, Lt. R. G. Howard disclosed. Some of the clues undoubtedly are mistaken and more knowledge of the movements of the girl on June 7 is needed but police are following up prospects with the hope soon of having a complete picture of the whereabouts of the victim during that day.

Sultan Returns

NEW YORK, June 28—(AP)—Sidi Mohammed, the sultan of Morocco, has returned to his palace at Fez in a flying fortress after a three-day visit with the United States fifth army, the Dakar radio said Monday night in broadcast recorded by the federal communications commission.

Nazis Sink Two Vessels

LISBON, June 28—(AP)—Two ships were sunk Monday afternoon by Nazi dive-bombers attacking a British convoy off Cape Sagres at the southwest tip of Portugal, it was reported Monday night. The convoy was said to be moving south. The location of the reported attack is along the route from Britain to North Africa.

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Nazi Spy Seized By FBI

Agent Admits Work For Enemy Net Of Espionage

NEW YORK, June 28—(AP)—Ernest Frederick Lehmitz, 57, whose arrest was termed a “lesson for the American public” by special FBI Agent E. E. Conroy, pleaded guilty Monday before a US commissioner to FBI charges he had gathered important war information for the Nazi intelligence system while serving as an air raid warden.

Lehmitz, a naturalized US citizen who Conroy said had been trained as a spy in Germany, pleaded guilty before US Commissioner Martin C. Epstein in Brooklyn and was held in \$50,000 bail for grand jury action. He cannot be sentenced by a US commissioner and will be prosecuted under the wartime espionage act which provides a sentence of death or 30 years in prison for conviction.

In disclosing details of Lehmitz's activities, Conroy said that the German native who had served as an air raid warden in Tompkinsville, Staten Island, “was known to have frequented bars and restaurants where members of the armed forces and defense workers gathered.”

Conroy described Lehmitz's activities as follows: Using invisible ink to pen hidden messages between the lines (Turn to Page 2—Story E)

Giraud Gets Official Okeh

Roosevelt Accepts Eisenhower's Solution

WASHINGTON, June 28—(AP)—President Roosevelt set the stamp of his personal approval Monday on General Dwight D. Eisenhower's handling of the problems stemming out of French wrangling in North Africa by permitting an announcement that he had invited General Henri Giraud to visit Washington when his military responsibilities permit.

In effect, also, the president's action tended promptly to confirm the authoritative summarization of American and allied policy toward French factions in Africa outlined in Associated Press dispatches from Washington Sunday and Monday. The invitation to General Giraud appears a definite new American rebuff for General Charles De Gaulle, Giraud's aggressive rival for French military supremacy in the African operations theatre.

The invitation was transmitted and Giraud's acceptance received through military, not diplomatic channels, a month ago. No date for the Giraud visit to Washington has been announced.

It is indicated, however, that the French leader will not leave his post while allied invasion operations based on French Africa are pending or in progress. His presence and cooperation under General Eisenhower in carrying out plans for aggressive military action against the axis in continental Europe or its island outposts is deemed essential to success by the allied commander and the Anglo-American high command here and in London.

That was revealed when General Eisenhower informed the French committee for national liberation at Algiers that he could not permit it to interfere with General Giraud's absolute command of French army, navy and air forces in North and West Africa, or tolerate attempts to (Turn to Page 2—Story E)

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Quits Post



CHESTER C. DAVIS

FDR Accepts Resignation

After Three Months Work, Davis Says Plan Impractical

WASHINGTON, June 28—(AP)—Chester C. Davis, the man President Roosevelt drafted three months ago to solve the food problem, stepped out Monday, telling the president flatly that the program to combat inflation won't work in its present form.

Appointed to succeed Davis as war food administrator was Judge Marvin Jones, former house member with an agricultural background. Jones was chairman of the recent international food conference at Hat Springs, Va.

The resignation of Davis, which capped weeks of turbulent debate in congress and out about the subsidy system, was made public in an exchange of pointed letters between him and President Roosevelt.

In a letter dated June 16, Davis said that while he had responsibility over food, other persons were exercising authority “not only over broad food policy, but day-to-day actions.” He also expressed belief that the president's program to use subsidies to hold down food costs to consumers won't be effective unless it is accompanied, as in England, “by current tax and savings programs that drain off excess buying power, and by tight control and management of the food supply.”

Therefore Davis asked to be relieved as soon as he had launched the 1944 food production program and a broad food educational program, which he estimated would be under way “before the middle of July.”

The president, in a letter defending the subsidy program, said “It would be unfair to you to insist that you remain in your position when you feel that, all things considered, you cannot wholeheartedly support a program to hold down the cost of living.” He also said he did not think Davis should finally determine the 1944 food program, since his successor “would then be called upon to administer a program which he had no part in determining.”

Thus, in effect, Davis served notice that he was resigning soon, and the president told him to quit now.

Chrysler Strike Halted; Coal Walkout Is Waning As New Director Named

DETROIT, June 28—(AP)—Production of guns and parts for tanks, planes and army trucks at the Highland Park plant of Chrysler corporation, halted by a walk-out Monday morning was resumed on a curtailed basis late Monday when some second shift workers reported as usual.

Approximately 2300 workers left their posts on the earlier shift, according to a company spokesman, who charged the walkout was in protest against the disciplining of a shop chief steward laid-off for six days. The company spokesman said the steward had countermanded orders of the management, while union representatives said the steward had left his bench only to handle a

New Jap Drive Seen

Fresh Attempt to Take West Hupeh Is Expected

CHUNGKING, June 28—(AP)—The possibility of a fresh Japanese drive in western Hupeh, gateway to Chungking, was reported by Chinese military authorities Monday on the basis of intelligence information.

The three important Japanese bases of Nanking, Hauchow and Sinyang were believed to be the focal points of the new drive, with troops moving out in strength. There was also a transfer of enemy forces in Central China around Hankow, Chinese spies reported to headquarters.

Military authorities said these movements “indicate another drive in western Hupeh might be in the offing.” It was in this general region that the Chinese scored their greatest victory of the six-year war.

Chinese forces are prepared for any eventuality, the authorities declared. They explained the frequency of small-scale fighting between Tungting lake and the Yangtze river by pointing out that the numerous rivulets which criss-cross the district makes major action by the attacking Chinese forces difficult.

It is for this reason, they said, that Shishow, Hwajung and Owchikow, three enemy strongholds which they need to clean up the district, are still in Japanese hands.

A high command communique announced Monday that Chinese forces have hurled back Japanese troops against their positions northeast of Hangchow—between that enemy occupied capital of Chekiang province and Shanghai, 100 miles to the northeast—and killed or wounded about 400 of the enemy. (Turn to Page 2—Story B)

Senate Okehs Compromise On FSA Plans

WASHINGTON, June 28—(AP)—The senate approved late Monday a conference committee compromise on the farm security administration program but sent back to the conferees for the third time the \$375,000,000 farm bill to iron out differences with the house on soil conservation payments and crop insurance.

The senate voted 49 to 10 to insist amendment providing for continuation of wheat and cotton crop insurance and 69 to two against house restrictions on the use of \$400,000,000 for soil conservation payments.

The compromise—in the FSA, still subject to house approval, came on the senate conferees' acceptance of the house action in limiting to \$20,000,000 the FSA's administrative funds for the rural rehabilitation loan program and to \$60,000,000 its borrowing authority to make new rehabilitation loans.

Rayburn Says Recess Not Slap at FDR

WASHINGTON, June 28—(AP)—Speaker Sam Rayburn declared emphatically Monday that the procedure under which congress expects to recess for two months this summer is not a slap at President Roosevelt.

Under the recess plan, congress would retain the right to reconvene during the recess, without a call from the president. Rayburn explained at a press conference that under the resolution by which the recess will be taken, an automatic return date of September 13 has been set, with provisions for calling congress back into session before then if necessary.

The speaker of the house and the vice president, he explained, may terminate the recess at any time by notifying the members and would take such action upon request of the democratic and republican leaders of both the senate and the house. The president, he emphasized, always has the power to call congress into session and the resolution does not undertake to restrict that authority.

Spaulding Firm To Pay Off Debt

PORTLAND, June 28—(AP)—The Spaulding Pulp & Paper company of Newberg, Ore., will pay off its bonded debt as of June 30, Secretary O. M. Allison said in a notice to holders of A and B bonds Monday. (Turn to Page 2—Story A)

'Shuttle Off to Italy'



The RAF's revolutionary new plan of “shuttle bombing” back and forth from Britain to Africa—which has just been demonstrated—would be added greatly if Italy should be knocked out of the war and her northern plains used as a southern terminus, as shown by distances on the map above. Solid curves represent bomber distances from London; broken curves from the Italian city of Milan. The Milan base also would place German-occupied territory within easier bombing range.—Associated Press War Map.

Experts To Probe Salem Wage Scale

“Grass roots” investigation of variances in wage scales for comparable work in various industrial centers of Oregon, Washington and Alaska will be launched today with the arrival in Salem of Dr. Philip H. Overmeyer, a wage expert of the northwest

regional labor board. In announcing the investigation Dr. George Bernard Noble, chairman of the board, indicated that Dr. Overmeyer's survey here would be the first of the series.

Dr. Overmeyer will make his headquarters at the Marlow hotel and will spend today and Wednesday collecting information from Willamette valley employers and union representatives on wages paid to workers in retail lumber yards and sawmill operations, to automobile mechanics, retail clerks and such clerical workers as bookkeepers and stenographers.

The regional war labor board, composed entirely of northwest men,” Chairman Noble explained, “must pass upon any pay increases or decreases before an employer can put them into effect. Preventing labor piracy—the hiring away of help from one concern by another employer who is willing to pay more money—and stabilizing wages as part of the fight to prevent inflation, are the principal reasons congress and the president have ordered the war labor board to do this job.”

The 12-man regional war labor board, the announcement points out, was created some three (Turn to Page 2—Story C)

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Jap Bombers Raid Darwin; Two Downed

ALLIED HEADQUARTERS IN AUSTRALIA, Tuesday, June 29—(AP)—Eighteen Japanese planes raided Darwin, Australia, Monday, the high command reported today, but only slight damage was caused and two of the raiders were shot down.

It was the 54th raid of the war on Darwin. Nine bombers escorted by an equal number of Zeros took part in the attack which came at midday. No casualties were reported.

Two fighters and two bombers probably were destroyed in addition to the two definitely shot down, the communique said. One of our planes was missing. On the allied offensive side, heavy reconnaissance units bombed the airfield at Cape Gloucester, New Britain, and a four-engine bomber on night reconnaissance bombed the dispersal bays at Kapoepo airfield at Rabaul.

Other heavy bombers made a night raid on Lahe airfield, Amohia Island, and on the building area on nearby Boeroe Island.

Armies Moved To West

50 Divisions Crouch Behind Atlantic Wall, Is Report

By E. C. DANIEL
LONDON, June 28—(AP)—With the tattoo of allied bombs thumping out invasion threats for the axis from the coast of France to Greece, an unofficial source with underground contacts with the continent reported Monday without confirmation that Germany had ordered 50 divisions from the Russian front to the west.

The source would not permit the use of his name. Authoritative Russian quarters have indicated that any step forcing the withdrawal of as many as 50 Nazi divisions from the east would be a tremendous aid to the soviet.

For many days German reinforcements have been reported streaming out of the Reich to stiffen the outer walls of the axis' continental defenses, but today's underground report was the first suggestion of the pulling back of major numbers from the east.

The report did not claim that the transfer was completed or even that it had been entirely begun.

Prime Minister Churchill told commons on June 8 there were 190 German and 28 satellite divisions on the Russian front and reliable quarters—apart from the underground source—estimated the number now had dropped to 180 German and 18 to 20 satellite divisions.

The alleged new distribution planned for the 50 divisions was said to be: 10 for the strategic reserve to be held for use wherever needed; 15 for western France, four for southern France, and nine for northern France. Twelve were listed for the Balkans, partly replacing Italians sent home.

Until such transfers could be completed, informed sources estimated German strength now to be about 180 divisions in Russia, 40 in France and the low countries, 10 to 20 in the Balkans, five to 10 in Italy, eight to 10 in Norway and Denmark, and 40 in reserve, or a total of 300. Maximum figures for Italy and the Balkans probably have not yet been reached, it was added.

Nazis Predict Invasion Soon

By the Associated Press
The Germans reached into their propaganda bag Monday and set a new date—Saturday, (Turn to Page 2—Story G)

18,000 Allied Casualties Moved by Air

NEW YORK, June 28—(AP)—Revelation that 18,000 sick and wounded men had been evacuated from the African war theatre by airplanes of the US Brigadier General David N. W. Grant, air surgeon of the army air force.

General Grant, in a speech prepared for the advertising federation of America, said that “some days we moved as many as 600 patients—that's three times as many patients as can be carried by a hospital train on any one trip.”

Not all the 18,000 men were Americans, he said. Many were British and French.

“The use of aerial evacuation will be greatly increased in the future,” said General Grant. “Aside from medical efficiency brought about by removal from the zones of operation to a surrounding of relative peace and quiet, it is quite obvious that an important psychological element is involved.”

“For a wounded man to know he is soon to be in a safe, friendly area, clean and comfortable with all the skill and equipment of modern medicine at his side, his will to recovery is much greater. For troops to know that a means is at hand for their care if they are injured increases their morale.”

Contract Awarded

PORTLAND, June 28—(AP)—The US maritime commission has awarded a contract for 207 more liberty ship engines at a total cost of \$21,000,000 to the Iron Fireman Manufacturing company, President T. H. Banfield announced Monday.

Dimout
Tues. sunset 9:06
Wed. sunrise 5:23
(Weather on Page 5)