

Kellems Tax Fight Flares, Probe Starts

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example. She asserted present tax rates are unconstitutional and confiscatory.

Earlier, the internal revenue bureau served notice that it is going to collect the December 15 income taxes from Miss Kellems, while Rep. Coffee (D-Wash.) advocated justice department proceedings against her.

Rep. Coffee, asserting her statement would injure the war program and discourage war bond purchases, said he was asking the justice department for summary action.

"Her statement constitutes a violation of the law," Coffee said. When she received the news that Morgenthau had made a statement assailing remarks made by a woman industrialist, Miss Kellems had just finished a formal answer to Rep. Coffee's (D-Wash.) request earlier today asking the department of justice to institute proceedings against her because of a statement made by her and termed by Coffee "a violation of the law."

She was asked if she would change her statement in order to answer the treasury secretary's charges also, but she declined, stating the latter's accusation was too serious to be answered at once.

Of the congressman's charges she wrote: "Please tell Rep. Coffee I will welcome an investigation by the department of justice, and while he is about it, why doesn't he investigate the fantastic, ridiculous, distorted tax laws of this country which no one can understand and which will ultimately bankrupt not only all business but the whole country."

"The postwar reserve which I am setting aside is all going into war bonds, and I strongly urge other businesses to put aside postwar reserves out of their taxes—in war bonds."

Of the terse announcement by the revenue bureau, "there's no question but that we are going to collect her taxes as required by law," she replied spiritedly: "They can't get blood out of a turnip."

Foundrymen Agree to Vote On Job Return

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should be done to assure a determination of the dispute in accordance with the orderly procedure of government and in order to avoid a work stoppage which is detrimental to the war effort."

The strike was voted by the union membership in protest against a regional WLB wage decision. The national board denounced the walkout specifically because the union had not resorted to its right of appeal.

Washington state selective service director Col. Walter J. De Long revealed meanwhile that 46 men who left work during a jurisdictional labor dispute at the Rayonier pulp and paper company, Hoquiam, have been called up for induction Saturday on the basis that the men were no longer engaged in war work.

DeLong said earlier that if job-deferred foundrymen remain out for five days they will be reclassified for military service.

A total of 335 machinists and other metal workers were reported back at work today in the Portland-Vancouver area. They returned to work in combination machine - foundry plants after pickets withdrew from the machine shop entrances.

At Renton, production of vital wing spars for Boeing Flying Fortresses was resumed after the foundry workers agreed to allow entry of aeronautical mechanics into the big plant.

Willkie to Speak In Portland

PORTLAND, Ore., Jan. 19-(AP) Wendell Willkie was scheduled today to speak at the annual Lincoln day dinner of the Multnomah county republican central committee February 12.

Willkie, passing through Portland after an appearance in Tacoma February 11, will have time for only a brief address. Principal speaker will be Palmer Hoyt, Oregonian publisher who retired January 1 as domestic director of the office of war information (OWI).

Breakfast With Star Costs \$400 in Bonds

PORTLAND, Ore., Jan. 19-(AP) Film Actor Gene Kelly explained regretfully today to Oregon WACS who invited him to breakfast that he was in Portland "strictly for the purpose of selling war bonds."

The girls conferred. "All right, consider the invitation strictly a business affair," they told him. "We'll each buy a \$25 war bond."

The girls will pay \$400 to breakfast tomorrow with Kelly.

Patrol Leaders, Scout Officers Invited to Tour Camp Adair

Featured highlight of the tenth annual Green Bar Training conference of the Cascade Area council to be held this weekend in Albany will be a trip to Camp Adair for the entire group of 25 patrol leaders and boy officers of various troops in the council in attendance.

The boys will be guests of the 91st infantry division and its commanding officer, Maj. Gen. W. G. Livesay at Adair on Friday morning. In Albany the Boy Scouts of the Linn county seat will serve as hosts.

Transportation to the camp will be provided from Albany and for the return trip by the army division. The trip will include the 91st in action training in the field, actual use of mortars, machine guns and field pieces and will visit service centers, post exchanges and other interesting portions of the camp. The trip will include also "the inevitable ride in the jeep" according to the Boy Scout executive, and noon army mess.

Arrangements for the visit to Adair were made through Capt. Douglas McKay, post public relations officer, and Capt. Moscop, public relations officer for the division, with the explorer troop of Albany and Scoutmaster Ferris D. White on the civilian side of the committee.

Visiting scouts will be guests

British Smash Appian Way To 3 Points

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third bridgehead was established at the village of Argento, almost on the coast itself.

(For the past week allied accounts of the fight for Cassino, 20 miles from the gulf of Gaeta, have mentioned only American and French troops among the attacking forces, possibly indicating that British units were withdrawn from that sector and massed lower down the Carigliano for the blows announced today.)

Primary objectives of the new coastal drive are the Nazi-held ports of Formia and Gaeta, approximately 9 and 12 miles, respectively, from the point where the Appian Way crosses the Carigliano. In establishing bridgeheads at three points the British appeared to have made the first breaches in the Nazi's so-called Gustav line, which German prisoners described as running from the sea 30 miles inland to the mountains northeast of Cassino.

With Cassino under almost pointblank artillery fire, American and French patrols probed vigorously at its defenses, which run along the western bank of the Rapido river at that point and include scores of gun emplacements and machine gun nests on the ridges behind Cassino.

An official military commentator said there was nothing to support published reports that American patrols had clashed with German troops inside Cassino, though they had made quick thrusts across the Rapido north of the Tolin to feel out enemy positions. The Germans still are holding the town firmly and have it surrounded with strong defenses.

King Petitions In Flagg-PGE Rate Dispute

F (Continued from Page 1) F

Spencer and Jim Clough who is assistant general chairman voiced confidence the district would turn in a final report comparable to the \$325,000 raised in the third war loan, not counting outside credits. Gilbert Gunderson is getting the rural territory in the Silverton district well organized.

George Manolis who formerly was district chairman, was presented with a merit badge by Jesse J. Card, Marion county chairman, in recognition of 500 hours of service as a volunteer worker, as well as of the success of campaigns he directed.

Both the Salem and rural schools are making good progress in the "Schools at War" program. Parrish junior high has undertaken a \$1500 quota and is 38 per cent of the way toward it, reports Mrs. Florence Kron. This school arranged a contest between the boys and the girls, each seeking to outfit and equip a soldier first. That requires \$260; the boys outfitted their soldier in two days by raising \$332.60. The girls have a little way to go; their total to date is \$239.15. The school is working toward a 100 per cent program of regular purchase of war stamps, to gain a Minute Man flag.

Salem high school has taken a \$15,000 goal, sufficient to buy a trainer plane for the army, and committees are working toward it with a fine spirit.

Chairman Arthur Smith of the Salem war finance committee announces that a war bond premiere at the Grand theatre will be one of the special events. Manager Leo Henderson promises an outstanding show, with special features. The date and details will be announced within a few days.

Houston Hints Ration Easing

By WALTER WARREN SAN FRANCISCO, Jan. 19-(AP) The office of price administration held out the possibility today that big victory gardens and widespread canning might eliminate processed foods from the ration list by the end of this year.

The hint came from Col. Bryan Houston, deputy national OPA administrator in charge of rationing, at a press conference.

He also forecast: No return to coffee rationing. No escape from sugar rationing for at least a year.

No cut this month in Pacific state gasoline rations.

No gasoline ration reductions later if tightening control brings consumption down 5000 barrels a day.

No Place for Hitler!

BUENOS AIRES, Jan. 19-(AP) Questioned concerning a report published today in New York that a haven had been prepared for Hitler in Argentina, an official remarked: "Remember two years ago when a story circulated that Mussolini was coming to Buenos Aires if he lost power? Did he come?"

Joe Harland Will Head Seed Growers

B (Continued from Page 1) B

Hart promised to do what he can to bring a revision of present orders most objected to by Oregon growers. These include the rules preventing growers from getting wholesale and retail margins for their own crops when they handle them in these channels, and a rule that processors must have their own testing laboratories.

Seeds not now under price ceilings are not likely to be placed under regulation unless prices get out of hand, Hart predicted.

Committee reports were adopted dealing with the six chief branches of the industry, containing recommendations on production practices as well as legislative matters in some cases. Most of these were of a technical nature, but a few more general recommendations and resolutions follow:

Recommendation for tariff protection on vegetable seed industry in view of necessity for investments to meet war needs.

Approval of passage of farm labor law immediately continuing the extension service as chief agency responsible.

Recognition of critical need for additional motor trucks on farms to avoid breakdown of food program through lack of transportation.

Opposed movement to cripple or eliminate production credit corporation.

Urged government action to prevent possible glut in dry edible pea supply such as has occurred in Austrian winter field pea seed. Coupled with this was proposal that Austrian pea seed be released for use as stock feed.

Expressed appreciation of Salem's hospitality with reference especially to the chamber of commerce.

E. A. Geary, member of the newly formed state committee to collect a memorial fund in honor of the late Prof. G. R. Hyslop, explained the plan and said the object is a perpetual working memorial that would continue the work in farm crops research. Contributions are to be made through county committees, he said.

Attendance was close to 300 throughout the day, with the crowd remaining until the last and even lingering after adjournment to continue informal discussion.

Yanks Blast 18 Jap Ships At Rabaul

C (Continued from Page 1) C

Today's Japanese air losses in the Rabaul area raised the definite total to 152 with 42 more probables, as announced in communiqués this month. Allied losses were 32 planes.

The sinkings raised to 11 the number of merchantmen sunk or probably sunk there so far in January.

During Monday's attack 1000 and 2000-pound bombs exploded three merchantmen which sank in the bay, rapidly becoming a graveyard for Japan's merchant fleet and warships. Two others were left burning and probably sank. The other three hit were seriously damaged.

Gen. MacArthur's spokesman said the presence of such a large Japanese fighter force, despite recent repeated attacks on airbases at Rabaul, is a good reminder "that we can't be lulled into the false sense of security that the Jap is deteriorating."

The loss of 12 of our planes, most of them fighters, also is a reminder that the skill of the Japanese pilot is not diminishing. This was the third largest loss sustained in a single raid on Rabaul. Nineteen were lost there in a big air assault last November 2 and 17 on November 11.

Six miles off Cape Pomas, directly west of Rabaul, an allied snoop plane spotted six ships Monday night and sank a 2000-ton vessel with heavy bombs.

On the western end of New Britain the marines who captured hill 660 last Friday thwarted an enemy effort to get it back. The Japanese counterattacked at 4 a.m. Monday but had to retire, leaving 126 dead on the field. Japanese dead since the marines invaded that area last December 26 exceed 3000.

Briggs Hunted In Hopkins Letter Case

WASHINGTON, Jan. 19-(AP) The justice department tonight announced that George N. Briggs, suspended confidential aide to Interior Secretary Ickes, and a central figure in the "Hopkins letter" case, is in the District of Columbia and available to the department at any time.

Ickes, emerging from a session with the grand jury investigating

the alleged forged letter, said he had tried without success to locate Briggs and subpoena him to appear before the jury.

Henry Schweinnaut, assistant to Attorney General Biddle and directing the investigation for the justice department, said no subpoena had been served on Briggs.

Asked whether the Ickes aide would be a witness before the jury, he said only that he "hoped" so.

The case has centered about Briggs since Sen. Langer (R-N.D.), said in the senate Monday that Briggs turned over C. Nelson Sparks the letter purporting to be written by Harry Hopkins to Dr. Humphrey Lee of Southern Methodist university, Texas, and indicating that Hopkins wanted Wendell Willkie to be the republican presidential nominee this year.

Sparks, former republican mayor of Akron, Ohio, published it in an anti-Willkie book, "One man—Wendell Willkie," and later made public a photographic copy showing it was on White House stationery.

Inter-Relation Of Allies Topic Of Reds' Talk

H (Continued from Page 1) H

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British circles hoped for official acceptance of their foreign office explanation. While none has been made public, it is not impossible that one has been given officially, but from the best information this is not the case.

At the same time the Soviet press printed the story from London quoting the Ankara correspondent of the Sunday Times in London as saying that while it was true that the German ambassador to Turkey, Franz von Papen, had not made peace proposals, it was not true that peace proposals had not been made recently by the Germans.

Publication of this story put the question right back where it was when Pravda printed the original story—it is again the biggest story in town and it has every Muscovite wagging his head and discussing it.

The Sunday Times dispatch was printed along with the British foreign office denial on the back page—the foreign page—of both the government newspaper *Evening News* and the communist party paper *Pravda*.

The first reaction of the ordinary Russian to publication of the Sunday Times story was, "You see, something is up."

Hoke Reelected Head Of Livestock Group

PORTLAND, Ore., Jan. 19-(AP) Mac Hoke, Pendleton, was re-elected president of the Northwest Livestock Production Credit association today at a meeting of cattle and sheep growers from Oregon, Washington, and Idaho.

Other officers: T. J. Drummeller, Walla Walla, vice-president; W. E. Williams, Portland, secretary; J. K. Fox, Portland, assistant secretary.

ON the HOME FRONT

By ISABEL CHILDS

Restaurants that advertise "It's the coffee" or "It's the pie" or even "It's the berries" should take a tip from the South Commercial street eating place that painted "It's the cook" on the front window and proceeded to operate for one month before locking the doors indefinitely. It probably was.

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Senate Group Okehs Ban On Subsidies

By WILLIAM T. PEACOCK WASHINGTON, Jan. 19-(AP) President Roosevelt's domestic legislative program suffered another setback today when the senate banking committee approved a bill which would ban all consumer food subsidies after June 30.

In so doing, the committee rejected the administration's request for authority to spend \$1,500,000,000 this year to hold down retail prices of food and turned thumbs down on one of the major proposals in the president's annual message.

The measure approved by the committee is a two point bill by Sen. Bankhead (D-Ala.). It would continue the life of the commodity credit corporation, which makes production loans to farmers, and ban the use of food subsidies after this fiscal year which ends June 30.

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BACK THE ATTACK!
Victory Can Be Ours in '44

GRAND

Now Howling!

Miss Mary... The Lamb and a Pair of Wolves... You'll Howl Too!

CO-HIT!

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LITL' BATTER

Submarine Base

NEWS FLASHES

BACK THE ATTACK!
BRING 'EM BACK IN '44!

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NOW SHOWING!

WEAVER BROTHERS and ELVIR

THOUSANDS CHEER

30 GREAT STARS

3 BANDS

CO-FEATURE

SIX-GUN ACTION!

Man of MYSTERY? or Creature of LOVE?

HEADIN' FOR GODS COUNTRY

CO-FEATURE

SIX-GUN ACTION!

ROY ROGERS KING OF COWBOYS

THE PICTURE YOU WANT TO SEE.

TECHNICOLOR, TOO!

PLUS ADDED ATTRACTION

The March of Time's Sensational Truth Finding Exposure into One of America's Greatest Wartime Problems

"Youth in Crisis"

See! What is Happening to Our Children Today!

CAPITOL TODAY and FRIDAY

GEORGE MONTGOMERY ANNABELLA

BOMBERS MOON

CO-FEATURE

MARCH-SCOTT One Foot in Heaven

A NUMBER ONE HIT, 146

HELEN BROWN - GENE LOCKWOOD

ELIZABETH FRAYER - BOB LANGRISH

LAURA HOPE CRENSHAW - GRANT MITCHELL

Directed by IRVING RAPPER

HOLLYWOOD

Somewhere IN FRANCE

CO-FEATURE

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Captain Midnite No. 2

NEWS