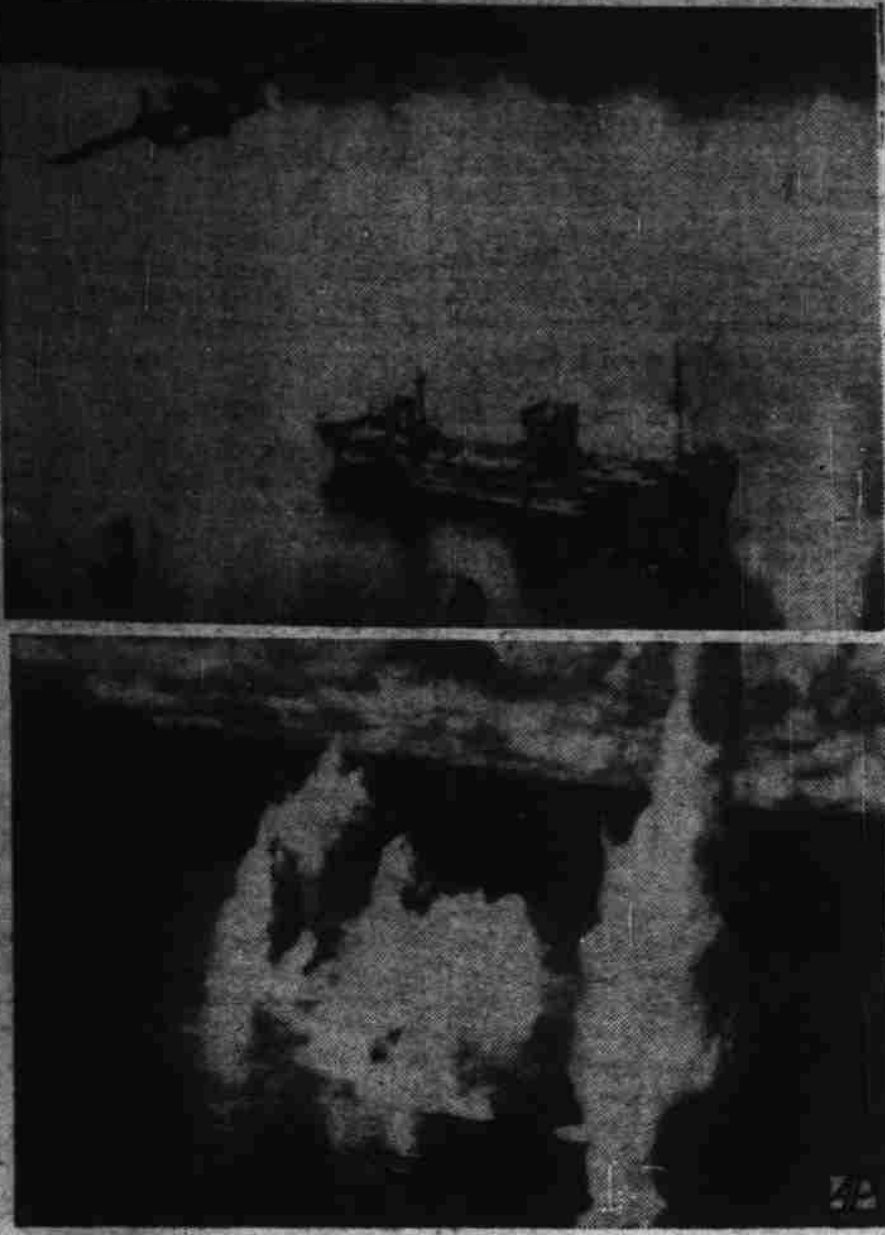


Jap Ship Hit by Bomber



US Fifth Air Force B-25 roars away from its initial run over a Japanese transport (upper), of the north coast of New Guinea. The enemy craft was slowed by the attack. Then as bomb bursts almost concealed the transport (lower), the ship is hit by bombs as the plane made another run. (AP Wirephoto from army air force.)

British Drive Toward Orne River, Caen

Nazis Throwing in Veteran Troops but Can't Stop Push Of Montgomery's Legions

By JAMES M. LONG

SUPREME HEADQUARTERS ALLIED EXPEDITIONARY FORCE, Saturday, July 1.—(AP)—A great armored battle raged south of Caen last night as the British drove on toward the Orne river and the Germans threw in veteran troops as fast as they reached the front in a reckless attempt to stop the allied advance.

A supreme headquarters communique said the allies' drive pressing the Germans back toward the Orne had "compelled the enemy to throw in strong armored reserves." Front line dispatches said that these included every armored division the Germans have in Normandy, and that among the troops were veterans of the war in Russia.

IT SEEMS TO ME

By Charles F. Sprague

There will be more names on the county's roll of honor of its men who have paid the supreme sacrifice than in the first world war. For some days now the death reports in the papers of home boys killed in action have been on the increase. It is news a paper hates to print, and our hearts go out to those who are thus bereft of loved ones; yet it is part of the price of war.

Our casualties up to June 20 had reached a total of 251,206 of whom 55,206 were dead. In the first world war the total number killed in action was 35,816 and died of wounds received in action, 13,756. Already the death roll is ahead of 1917-1918, and now heavy fighting is in progress in both wars.

The invasion of Normandy was far less costly than was predicted, and yet the toll has not been inconsiderable. In the first two weeks of action there Americans lost 2082 killed, 13,121 wounded and 7959 missing. Tough going was encountered on Saipan, and this was expected, because it was such a key point in the Japanese defense line. To date the losses on (continued on editorial page)

Maj. Chapman Receives DFC

AN EIGHTH AAF PHOTO GROUP, England.—The distinguished flying cross and the oak leaf cluster to the air medal have been awarded to Maj. Carl J. Chapman of Salem, Ore., it has been announced.

The DFC was awarded "for extraordinary achievement, while on photographic reconnaissance operation over Europe. This was a shuttle mission to obtain damage assessment photographs and look more than nine hours to complete. In spite of adverse weather which made navigation difficult, Major Chapman located the assigned targets and returned to his base with photographs of excellent quality."

US Breaks Finnish Relations

German Alliance Brings Decision From FDR, Hull

WASHINGTON, June 30.—(AP)—The United States snapped the frayed thread of its relations with Finland today and branded the present government of that long-friendly country as a "puppet" used by Nazi Germany to help stem the advance of victorious allied armies in Europe.

The American action came at the end of a 10-day period which some day may be recognized as one of the most critical in the history of the 25-year-old Finnish republic. In those 10 days a planned pro-ally coup failed to come off at Helsinki, according to reliable reports here. A group of die-hards opposed to peace with Russia clinched their hold in the government, and under the guns of German warships and land reinforcements poured ashore while planes of the Luftwaffe moved in large numbers onto key airfields.

It was as a result of these developments, reflected in an official Finnish announcement of an alliance with Germany last Tuesday, that President Roosevelt and Secretary Hull decided late yesterday to break the final fragile link. They had preserved it for months in the hope it might help Finland to make a peace with Russia and get out of the war.

(Continued on Page 2)

United Nations Money Meet Opens Today

WASHINGTON, June 30.—(AP)—Two special trainloads of master money mechanics headed northward tonight for tomorrow's opening of the United Nations monetary conference at Bretton Woods, N.H.

There in the seclusion of the White Mountain resort country they will labor on the working model of an \$8,000,000,000 machine designed to hold international financial transactions on an even keel after the war.

On their work benches, too, will be the rough blueprints for a \$10,000,000,000 companion machine intended to stimulate the flow of long-term credit that will be needed to repair the ravages of war and speed the world's peacetime industrial development.

Forty-four united and association nations will be represented at the sessions, generally regarded in importance only to the peace conference. Deliberations will be consultative only; each of the governments, including the United States, must act upon the recommendations.

Specifically, the proposals to be considered at Bretton Woods are for an international monetary fund designed to total \$10,000,000,000 when it is opened to present neutral and enemy nations; and for a United Nations bank for reconstruction and development.

Casualties Run High At Saipan

9752 Americans Killed, Wounded In Two Weeks

US PACIFIC FLEET HEADQUARTERS Pearl Harbor, June 30.—(AP)—Americans battling on Saipan have paid the highest price so far in the Pacific—9752 killed, wounded and missing in two weeks—for one-half of a small but highly important island off the Marianas.

The grim figures, announced today by Adm. Chester W. Nimitz, were: dead, 1474; wounded, 7400; missing, 878.

The total was far more than double that at Bloody Tarawa in the Gilberts last November, when 5553 Americans were killed or wounded in 76 hours.

It more than doubled the losses on Guadalcanal in six months of warfare—3767.

Enemy losses in the bitter fighting that has wrested half of rugged Saipan from the Japanese also have been heavy. Nimitz said no accurate estimate was possible (Continued on Page 2)

Soviets Plunge Ahead Toward Doomed Minsk

Reds Kill, Capture 183,930 Germans in Week; Fighting Rages Inside Old Poland

By Russell Landstrom

LONDON, June 30.—(AP)—The red armies' rout of German forces in White Russia mounted to historic proportions today as Moscow announced that German losses in the first week of the Soviet summer offensive were 183,930 killed or captured, and the fighting carried all the way from inside the former border of Poland on the north to the center of Pripjat marshes on the south.

Red troops broke into the key railway town of Oboisov, on the direct route to Minsk; captured Disna, a frontier town just inside old Poland; took Slutsk, an important railroad far to the south; and more than 430 other populated places inside the sprawling 350-mile White Russian front, the broadcast Russian communique said.

In at least one sector Soviet troops were less than 30 miles from Minsk, pouring across the Berezina river north of Boriav in a thrust of 19 miles.

Eddy Gilmore, Associated Press correspondent, said in a dispatch from Moscow that huge forces of red infantry, tanks and cavalry were already converging on the outskirts of the White Russian capital.

Under continuous cover of Russian fighter and Stormovik planes, these troops were preparing for a mass storming of the other approaches to the ancient city, Gilmore cabled.

The full extent of the German (Continued on Page 2)

Price Control Changes Due To Start Today

WASHINGTON, June 30.—(AP)—Government officials worked late tonight preparing scores of changes directed in new price control and wage stabilization legislation effective tomorrow, with indications that not all the revisions can be made on time.

The deadline was emphasized as President Roosevelt signed into law the bill embracing the changes, which extends price control and wage stabilization one year, to July 1, 1945.

While he lauded congress for renewing the life of the office of price administration and other government stabilization agencies, the president said he feared the changes made will "weaken and obstruct the effective enforcement of the law. . . . If it should turn out that the enforcing officers encounter serious difficulties in bringing chiselers and black market operators to book, I shall ask congress to remove the difficulties."

An OPA spokesman said that only the amendment providing for adjustment of textile prices had named a specific deadline for the revisions ordered.

Another amendment provides that the administration shall take steps to maintain the prices of all basic agricultural commodities, as well as prices of others where growers were encouraged to increase production, to reflect to producers either the current price or the highest average price during the first nine months of 1942.

Under a preliminary interpretation, an agriculture department spokesman said this would require action raising the price of wheat, cotton, eggs, peanuts and possibly some other commodities, since these were selling under parity as of June 15.

Weather

Maximum temperature Friday 76 degrees; minimum 54; trace of rain; river -2 ft. 5 in.

Fair today and Sunday; cooler in the southeast portion today.

Job Controls Start Today

WASHINGTON, June 30.—(AP)—Employment controls designed to make best use of the available labor supply become operative on a nation-wide scale tomorrow, with manpower officials hopeful 200,000 new workers can be attracted into essential industry.

By cooperative action of both workers and employers, all males except farmers will be required to be hired through the US employment service or agencies it designates. War Manpower Commissioner Paul McNutt says the plan has worked effectively for some time in certain tight labor areas.

Women in many communities are included under the hiring controls through decisions of local manpower officials.

Killed

LT. WILLIAM BLACKLEY

Lt. Blackley Dies in Action

DALLAS, June 30.—Lt. William W. Blackley, 21, was killed in action in the European area December 31, 1943, according to information received from the war department by the army officer's father, William W. Blackley, Lt. Blackley was reported missing in action on January 13, 1944, and it was hoped he might have been taken prisoner. Within the week before receiving the war department message, his father received a letter from Lt. J. M. Danhof, told of the bomber crash and that only the pilot, bombardier and engineers were saved. The Dallas officer was co-pilot on the Liberator bomber. He was born June 12, 1923, in Dallas and lived most of his life in Dallas.

Allied Bombers Hit Nazi Installations

LONDON, Saturday, July 1.—(AP)—Allied heavy and medium bombers struck at German installations in a wide arc around the Normandy battle zone throughout Friday, flying 3000 sorties from dawn to dusk in which they dumped most of their explosives on targets whose destruction would halt the movement of Nazi reinforcements.

The weather, which limited air activity over the fighting front all week, improved enough to permit stepping up the offensive, but it still was far below the daily average since D-day.

German fighters offered only spotty resistance, but 21 were downed by the allied pilots—17 by the RAF fliers who operated from bases in Normandy.

An indication that allied bombers were slashing deeper into the continent by night came from the German radio. A program was interrupted at 12:30 a.m. (6:30 p.m. Friday, eastern war time) and an announcer said enemy planes were approaching northwest and western Germany.

RAF heavies were out three times in the day time, making two attacks on flying bomb launching platforms and an assault on armor and troops near Villers Bocage. In an evening attack beginning shortly after 8 o'clock and lasting only 12 minutes, Lancasters and Halifaxes descended below 4000 feet to drop a terrific concentration of explosives on the enemy a few miles from the firing lines.

American Liberators and Flying Fortress, 250 strong, escorted by a like number of Mustang fighters, roared through clouds to smash 750 tons of bombs against three air fields in northern France and one in Belgium, in a continuation of the campaign to drive the German air force even farther away from the battle area, and not a single German fighter was met. All the planes returned safely.

The RAF in the forefront sent Lancaster bombers to plaster the launching ramps for Nazi rocket bombs, as the rocket planes were hurried throughout the day at southern England, opening the third week of these attacks. None of the Lancasters was lost but one escorting Spitfire failed to return.

In their second mission of the day the RAF turned to tactical support of ground units driving west of Caen, and then, late in the evening still another formation of British heavies attacked a large concentration of German armor in the Villiers Bocage area on the west flank of the Caen salient. A SHAEF spokesman said the target was of "immediate tactical importance."

Dean Alport Wins Music Award at WSC

PULLMAN, June 30.—(AP)—Traditional closing day awards to outstanding musicians at the annual high school music and speech camp at Washington State college today went to Dean Alport, Salem, Ore., and Betty Rose McKee of Neches. Camp students balloted to determine the winners.

Adair Chaplain To Be Speaker At 4th Program

The orator of the day for the patriotic exercises on July 4 will be Chaplain Charles L. Pendleton of the 70th division, Camp Adair, Col. Carl Abrams, general chairman, of the celebration, announced Friday night. The exercises will be held on the newly constructed stand in Marion Square at 11 a.m., immediately following the morning parade.

The program will include music by the Camp Adair post band, invocation by Rev. George H. Swift, welcome by Commander John Olson of Capital Post No. 9, response by Mayor L. M. Doughton, the Declaration of Independence, read by Mrs. Leon Brown, and the address by Chaplain Pendleton.

An outstanding feature of the program will be three selections by the Willamette university quartet, led by Dean Melvin Geist. The voices will be Corydon Blodgett, bass; Maurice Brennen, baritone; Lewis Pankaskie, second tenor, and Melvin Geist, first tenor, which includes some of the most outstanding male voices in the city.

It's Barbecue Beef July 4

Put away your ration books. Keep your red tokens.

The 1200-pound steer for Salem's big Fourth of July barbecue in Marion square has been selected to the satisfaction of the OPA.

Gift of the Valley Packing company, it could not be prepared and served until 8000 ration points (representing a good many pounds of choice steak and roast) had been contributed by civic minded citizens.

Following Friday morning's Statesman announcement of the situation, contributions of red ration points began to pour in to county bond sales headquarters. By noon the barbecue party, for which bakers are providing 8000 buns, was a surety. By mid-afternoon would-be donations of ration points were turned away.

"If we could only buy E bonds with ration points. . ." moaned County War Finance Committee Chairman Douglas Yeater.

Marion Bond Sales Roll Past \$4,000,000 Mark

Marion county bond sales have today rolled past the \$4,000,000 mark and on toward the \$5,477,000 minimum quota.

As bond salesmen and saleswomen and committees of various manufacturing and merchandising establishments enter the final stages of the campaign, the special events committee is completing plans for a grand finale in the form of a great Fourth of July celebration in Salem.

Leading up to that event, a series of nightly programs in Marion square was begun Friday night. Margaret Becker, winner of the "Miss Marion County" title in the bond campaign contest to find a golden-voiced representative for the state finance committee, will sing as a feature of tonight's 8 o'clock park program.

The Singing Sentinels of Oregon Shipyards and war heroes are also on the program.

Lt. Paul V. Barnes, Bakerfield, Calif., who won the silver star for gallantry in action but who remembers to tell residents of the calm United States that munitions were rationed for two weeks on the Anzio beachhead because there were not enough ships to carry an abundance of it, spoke briefly Friday night.

Barnes is credited with having, single-handed, taken a machine gun nest and having fought off two ammunition carriers from the prize. He came to Salem to talk Friday night from Camp Adair rehabilitation center.

Also from that hospital came Sgt. Kevin McCarthy, Vancouver, Wash., who wears the distinguished service cross earned October 28, 1942, at Guadalcanal. He was a member of a small party which rescued marooned marines, he told the Marion square audience.

Myrtle Myers and Velma Swart, runners-up in the contest with Miss Becker, sang. Among Miss Swart's numbers was "We're on (Continued on Page 2)

Philippines Will Receive Freedom US Promises

WASHINGTON, June 30.—(AP)—Legislation promising independence to the Philippines as soon as possible after United States forces rid the islands of Japanese invaders was signed by President Roosevelt today.

The two congressional resolutions also authorize the establishment by the United States of land, sea and air bases in the islands for the mutual protection of both countries.

Before the war the Philippines were to have received their independence on July 4, 1946. The new expression of this government pledge:

"That the United States shall drive the treacherous, invading Japanese from the Philippine islands, restore as quickly as possible the orderly, free democratic processes of government to the Filipino people, and thereupon establish the complete independence of the Philippine islands as a separate self-governing nation."

Freedom can come to the islands, Mr. Roosevelt said in a statement, upon the accomplishment of "two tasks of great importance: those who have collaborated with the enemy must be removed from authority and influence over the political and economic life of the country; and the democratic form of government guaranteed in the constitution of the Philippines must be restored for the benefit of the people of the islands." The president paid tribute to the heroic role of the Philippines in the war.

Vice-president Sergio Osmeña of the Philippine government-in-exile hailed the new legislation as "a long step toward the real freedom and independence of the Philippines and its survival as a free and Christian nation."

One of the two resolutions creates a Philippine rehabilitation (Continued on Page 2)

Argentina Aids German Firms

WASHINGTON, June 30.—(AP)—Information from official sources that the Argentine government has been giving direct aid to Nazi firms on the United States blacklist boosted the freezing of Argentine funds to top spot tonight in discussions of what may be done next to express disapproval of the course Argentina has taken.

The treasury is known to have the machinery ready for blocking the funds, awaiting only the order to put it in motion.

Blacklisted firms have prospered in Argentina in many cases, officials said, because Argentina has failed to apply measures taken in all the other hemisphere republics and because the Argentine government has supported those firms.

Since the blacklist has been extremely effective against axis companies in the other countries, the Germans use their Argentine branches to collect profits, send aid and information and keep Nazi firms going in the rest of the hemisphere, it was disclosed.