

The Bulletin is delivered daily to 15,000 Central Oregonians. It furnishes today's news today to these thousands of interested readers in Bend's trading area.

THE BEND BULLETIN

CENTRAL OREGON'S DAILY NEWSPAPER

OREGON—Generally fair tonight and Wednesday but morning fogs in valleys of west portion. Maximum Yesterday... 53 Degrees Minimum Last Night... 45 Degrees



Washington, D. C., Oct. 21—

Oregon's share of the 13 billion dollars in the two lend-lease bills is the staggering sum of \$108,968,400. First of these bills was for seven billion, last March; second, just being enacted, is six billion. The lend-lease item is only one of the many tax obligations Oregon must pay but it gives an idea of the tax load that is coming. Also, it is the hint that a third lend-lease bill will be submitted to congress in February.

Here is the way the lend-lease bill stands against the population of Oregon communities: Astoria \$1,038,000, The Dalles \$626,000, Salem \$3,090,800, Oregon City \$612,400, Albany \$565,400, Eugene \$2,085,800, Grants Pass \$602,800, Medford \$1,128,100, Pendleton \$884,700, Portland \$30,530,400, Bend \$1,002,100.

Breakdown by counties is as follows: Baker \$1,829,700, Benton \$1,862,900, Clackamas \$5,713,000, Clatsop \$2,460,700, Columbia \$2,097,100, Coos \$3,246,600, Crook \$553,300, Curry \$430,100, Deschutes \$1,863,100, Douglas \$2,572,800, Gilliam \$284,400, Grant \$638,000, Harney \$537,400, Hood River \$1,158,000, Jackson \$3,621,300, Jefferson \$204,200, Josephine \$1,630,000, Klamath \$1,049,700, Lake \$629,300, Lane \$6,909,600, Lincoln \$1,454,900, Linn \$3,048,500, Malheur \$1,976,700, Marion \$7,524,600, Morrow \$433,700, Multnomah \$35,509,900, Polk \$1,998,900, Sherman \$232,100, Tillamook \$1,226,300, Umatilla \$2,603,000, Union \$1,729,900, Wallowa \$762,300, Wasco \$1,306,900, Washington \$3,919,400, Wheeler \$297,400, Yamhill \$2,633,600.

Most of the lend-lease money will go for materials sent to Russia, Britain, Turkey, China and any other "democracy." In the matter of food, the second bill earmarks \$1,875,000,000 for the British, which will feed 18,750,000 for one year at an average of \$100 each. The national resources commission reports that the average American family of 4.1 persons spends \$467 a year for food, or

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ARIAS IN NICARAGUA
Managua, Nicaragua, Oct. 21 (AP)—Former President Arnulfo Arias of Panama arrived by airplane from Panama City today.

People in The News...
(By United Press)

The Japanese war office said the Premier Gen. Hideki Tojo's first name is **Hideki** and not **Eiki**, as it sometimes is misspelled in the foreign press. Confusion resulted from translation of the Japanese character forming the name.

A search is under way for **Kan-Zan**, Japanese dog trained as guide for blind **Helen Keller**. The dog strayed from her home last night.

Italians said **Breckenridge Long's** assertion that Germany may attack Italy is nothing but propaganda. **Long** is U. S. assistant secretary of state.

Wendell Willkie predicted naval and aerial clashes between Germany and the United States may come soon.

Dover Schools Reopen Within Range of Nazi Channel Guns

Dover, England, Oct. 21 (AP)—There were piles of plaster dust behind the radiators and most of the windows were boarded up, the glass having been broken by the concussion of German shells, but Dover's schools were open again today, for the first time in 16 months.

By the pale afternoon light filtering through the remaining window panes, 25 youngsters bent earnestly over readers, following the story of an unfortunate cat who wanted milk to make rice pudding for its kittens.

Within easy range of the German guns across the channel on the French coast some 20 miles away, School-Master John F. Peck guided them.

"So the cat went to the cow and asked, 'Give me some milk,' he heard. 'Please continue, Satterlee.'"

An eight-year-old arose beside his narrow desk. "I can't, sir." "No, you read, Satterlee?" "No, sir. Only a few little words."

"They've forgotten almost all they know," Peck said. "Why,

U. S. Vessel Torpedoed in Atlantic

Emergency To Slow Up Project Work

Reclamation Activities Curtailed by Defense, Phoenix Meet Reveals

Until the defense emergency ends, prospects are very dark for the expansion of reclamation activities through irrigation, and there is a possibility that projects now in process of construction, such as the North unit, will have to be continued under a slow bill.

Such was the information obtained by representatives of the Deschutes valley communities who attended the 10th annual meeting of the National Reclamation association in Phoenix, Ariz., and conferred with United States bureau of reclamation officials this past week. Not only is decreased work on the North unit anticipated, but there appears little hope of obtaining an examination of a site for a reservoir in the Blenheim falls area, to provide additional storage for existing projects.

34 Oregon Persons at Meet

Thirty-four Oregon reclamationists, 13 of them from Central Oregon, attended the Phoenix conference, declared to be the most successful meeting of the national association ever held. An outstanding program was prepared by committee in charge, people of Phoenix in royal hosts and a number of able papers were presented at conference sessions, members of the Oregon delegation report. Interest in the federal power authority question was keen, and strong opposition to various proposed valley authorities was expressed. Resolutions adopted by the reclamationists opposed the proposed valley authorities.

Many From Central Oregon

Not all members of the Central Oregon delegation who attended the Phoenix meeting have yet returned. Don H. Peoples, chamber of commerce secretary here, is expected back tonight or tomorrow.

D. S. Stuver, engineer in charge of the Deschutes project, is now taking his annual vacation and will not be back until later in the week. Others present from Central Oregon included George Murphy, Sr., George Murphy, Jr., Dr. R. D. Stowell, Howard W. Turner, A. R. Bowserman, Laselle Coles, Gus Wood, Judge C. L. Allen, George R. Brewster, Hans Kjar and Robert W. Sawyer.

All officers were re-elected and O. S. Warden, of Great Falls, Mont., will again head the association for the coming year as president. Robert W. Sawyer, Bend, was re-elected second vice president.

The 1942 convention will be in Bakersfield, Calif.

John C. Page, commissioner of the bureau of reclamation, reported to the association's board of directors.

SENTENCE SUSPENDED

Alfred Ellifritz was given a 10-day suspended sentence when he appeared this morning before Justice of the Peace H. T. Merritt and pleaded guilty on the charge of violating the basic rule.

Death of Indian Is Investigated

Benson Heath, 38, an Indian from the Warm Springs reservation, died yesterday afternoon in Redmond. An autopsy performed this morning by Dr. R. F. Jones, of Redmond, and a physician from Warm Springs, disclosed quantities of rubbing alcohol and wine in his stomach.

His vital organs have been sent to a Portland laboratory for analysis. There were no marks of violence on his body, the physician reported.

According to information gathered by the state police, Mr. Heath had been drinking with Frank Dick, Wesley Spino and Delbert Frank, also from Warm Springs, and was found sitting in a car three miles west of Redmond on the Sisters highway early yesterday afternoon.

Kenneth Wolf, another Indian, put Mr. Heath and Dick in the back of his pickup to drive them back to the Indian camp north of Redmond. When they reached the camp, someone asserted that Mr. Heath was dead. State police and Redmond city police were notified some time after the discovery of the death, and the body was brought to Redmond for examination by Dr. Jones.

RETURNS TO CAPITAL

Portland, Oct. 21 (AP)—Rufus C. Holman, Oregon's junior senator, was en route to Washington today after a long stay on the west coast. Except for flying trips to the capital, Holman has been in the west since early in June.

Mexico Will Release Axis Prisoners

Mexico City, Oct. 21 (AP)—President Manuel Avila Camacho has ordered the release of 560 German and Italian officers and seamen held since Mexico seized 12 axis ships last April, it was disclosed today.

The order, published in Diario Oficial, restored to the seamen the "full liberties" of foreigners legally in Mexico. It was signed by Avila Camacho and four other officials, including Foreign Minister Ezequiel Padilla.

British and American quarters believed the release would complicate Mexico's espionage problem. They recalled that some of the seized axis ships had been known as propaganda centers before the government took them over.

Spokane Firm Is Low REA Bidder

\$80,329 Estimate Is \$20,000 Above Price Expected to Be Paid

Redmond, Oct. 21—Roy L. Blair of Spokane, Wash., was low bidder this morning when bids were opened for construction of the Jefferson county REA unit. Only two bids were received.

The amount of the low bid was \$80,329.74. The other bidder, Tri-State Construction company of Portland, was close with a bid of \$80,973.28. Both bids exceeded the allotment for construction purposes by approximately \$20,000.

In view of the high figure set by bidders, and the small number of bids received, directors of the Central Electric cooperative were this afternoon contacting regional REA officials, whose advice will be sought before a decision is made as to accepting either of the bids.

High Cost Anticipated

Directors had anticipated that bids would be high because of the rapidly advancing construction costs. The REA funds allotted for the Jefferson county unit totalled \$77,000, of which approximately \$59,000 was marked for actual construction purposes.

No preference was indicated between the two bidders as regards ability to procure materials. The two firms use the same source of supply, and both were able to promise fairly early delivery of materials essential to power line construction.

Bids were opened this morning at Legion hall in Redmond, with Carl Baker, chairman of the board of directors of the cooperative, presiding. Walter W. Flora, project engineer; Morgan Sharp, superintendent; members of the board of directors; and representatives of the two contractors were present.

Nazis Retaliate For Assassination

Vichy, Oct. 21 (AP)—German occupation authorities arrested four hostages, including the prefect of the department of Loire inferieure at Nantes, and rounded up many French citizens throughout Brittany today in retaliation for the assassination of Nazi Lieut. Col. Karl Friedrich Holtz.

The prefect was released after being held all night. He heads the department of which the big naval base of Nantes is the chief city.

(The Nantes-St. Nazaire area is one of the principal German bases for possible attempted invasion of Britain.)

German police who rounded up French citizens in Brittany charged most of them with concealing weapons. The roundup appeared to be a precaution against further attacks on occupation forces.

Holtz, head of the German military forces in the Nantes region, was shot to death. The assassins escaped.

Pierre Pucheu, minister of interior, returned today from Paris, where he had gone after the assassination to investigate terrorist activities and supervise repressive measures.

Nebraska Boy Is Star Farmer

Kansas City, Mo., Oct. 21 (AP)—Duane Munter, 18, Coleridge, Neb., earned \$5,500 while going through school, today was named the "star American farmer," the highest honor a member of the Future Farmers of America can win. The designation also brought him a \$500 award given by the weekly Kansas City Star.

Munter made most of his money as a breeder of prize Duro-Jersey hogs, but he varied his projects to include raising of corn, barley, poultry, potatoes, soy beans and sorghum. He also established a purebred Angus beef cattle herd buying two heifers and a bull as foundation stock.

PUD Budget For Half Year Set at \$9,550

No Tax Levy Needed; Estimated Expenditures Equal Cash Surplus

Redmond, Oct. 21—A budget board for the Central Oregon people's utility district at Redmond last night set a budget for the first six months of 1942 of \$9,550, the total amount of the unexpended surplus which the board expects to have on hand at the end of 1941. No tax levy will be made for this period.

A financial statement of the district revealed cash on hand and available October 20 in the amount of \$8,632.13. Actual expenditures of the district up to October 1 were listed at \$1,137.22; probable expenditures for the balance of 1941, including \$1,000 for the engineering survey now under way were estimated at \$1,685; making a total for 1941 of \$2,822.22.

Cash on hand \$9,552.78. The budget for 1941 allowed \$12,375.00. Less actual expenditures, this leaves the board with a surplus of \$9,552.78.

Whether or not the entire amount of this surplus should be budgeted for the next period, in view of low expenditures by the PUD during the past year, was the subject of considerable discussion.

William Niskanen of Bend, member of the budget committee, took the position that the budget figures should forecast actual expenditures, not an allocation of all the money available. J. F. Short, acting as chairman of the budget board, said that he felt funds might be budgeted closely if the organization was of long standing with several years of experience to serve as a guide, but that since an accurate forecast was difficult, provision should be ample lest lack of funds defeat the whole purpose of the program.

Economy Promised
J. D. Donovan, chairman of the PUD board, reiterated the statement he made one year ago, that not one nickel of public funds would be spent by the board until such expenditure seemed necessary to carry out the purpose of the organization.

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200 R. A. F. Planes Raid Continent

London, Oct. 21 (AP)—The royal air force sent more than 200 planes on raids against Bremen, Wilhelmshaven, Emden and other parts of northwest Germany during the night and renewed its daylight offensive against northern France today.

Authoritative sources said seven times more British planes raided Germany than German bombers raided Britain during the night. They said the weather was "better," implying that flying conditions still were too poor to risk a maximum force, which is considered more than 300 planes. Bad weather had kept the RAF inactive since last week.

An air ministry communique said Bremen was the main target of "strong forces of bombers," and Wilhelmshaven and Emden also were attacked. Smaller raids were made on a number of objectives in northwest Germany and occupied territory.

Coastal command planes bombed a seaplane base and factory in northern Denmark yesterday, the communique said, hitting buildings and setting aircraft afire.

Nine bombers and one coastal command plane were missing.

Germany sent an estimated 30 planes on nuisance raids over widely separated parts of England, including the Merseyside where only "eight or nine" planes attacked.

They were met by one of the heaviest anti-aircraft barrages of the war.

Retail Clerks to Seek CIO Charter

Retail clerks of Bend meeting last night considered the feasibility of affiliating with the Congress of Industrial Organizations and voted to apply for a charter in the United Retail and Wholesale Employees of America.

Temporary officers elected were Alf Hansen, president, and Douglas Johnson, secretary. This organization is open to all retail and wholesale employees, CIO officers explain, and it is expected eventually to include employees of the culinary occupations.

The new local unit was endorsed by members and officers of IWA local No. 7, who have promised their full support, CIO officers report. The next meeting of the group will be held next Monday at 8 p. m., in the CIO hall, formerly known as the Grotto.



Mapped here (cross) is approximately where the U. S. S. Kearny, first American warship to be damaged in the present war, was torpedoed. Location was given as 350 miles off Iceland in waters President Roosevelt described as "clearly within the American defensive zone."

Little Red Pig Found; Job Now Is to Catch Him

Officers and Bend residents today continued their attempt to catch a small red pig that has been at large in Bend since Saturday afternoon, but without success. The pig has been found, officers report, but it can't be caught.

The pig roundup was largely confined to the north end of town today, not far from the state police station. The elusive porker was chased over rocks, through fences and across lots.

Early this afternoon, the pig was still at large, but was reported ranging in a barnyard in the vicinity of the Standard Oil plant.

Convoy Loses Ships, Say Nazis

Berlin, Oct. 21 (AP)—The German high command today reported the sinking of seven more ships from a Britain-bound convoy in the North Atlantic, raising to about 100,000 tons the shipping claimed as sunk by Nazi submarines since Washington announced the torpedoing to the U. S. S. Kearny.

The high command said the vessels reported sunk today totaled 38,200 tons. Three days ago the sinking of 10 merchant ships, including three tankers, for a total of 60,000 tons was claimed. In addition, the high command said, two defending destroyers were sent to the bottom.

The high command said that in addition to sinking seven more ships Nazi submarines severely damaged the 15,795-ton whaling mother ship.

Budget Hearing To Be Tonight

Taxpayers' meeting on the proposed city budget for the first six months of 1942 will be held this evening at 8 o'clock in the city hall.

The budget, as prepared by the budget board, proposes city expenditures, exclusive of the water department, of \$88,715. Receipts for the first half of the year were estimated at \$47,100. The amount to be raised by taxation is estimated at \$21,705.

At the meeting tonight the board will hear any taxpayer in favor of, or against the proposed budget, or any portion of it.

Man Rescued by Redmond Boy Dies

Colfax, Wash., Oct. 21 (AP)—The Rev. A. B. Kern, 61, pastor of the Colfax Christian church, died yesterday of burns and a neck injury received Thursday in an automobile collision that burned fatally his companion, Fred Engle of Clarkston.

Engle's car collided with a high-way bus. Spilled gasoline set the car afire. R. G. Glausyer, Redmond, Ore., selector, a bus passenger, rescued the Colfax minister and himself suffered burns. Glausyer was treated at a Tacoma hospital.

Fines Levied by Municipal Court

Arrested on an intoxication charge, Harry Chestnut, of Pendleton, was fined \$10 in municipal court yesterday on his plea of guilty. Held on a disorderly conduct charge, Roy Riekey, of his plea of guilty, was fined \$5. Mrs. William Seifert, who was also cited on a disorderly conduct count, was fined \$5, but the fine was conditionally suspended.

No Lives Believed Lost in Sinking; Roosevelt Joins Hull in Condemning Attacks at Sea

Inference Made That Submarine Was German; Waters Between South America and Africa, Near Equator, Scene of Sunday Night Raid

Washington, Oct. 21 (U.P.)—President Roosevelt announced today that the 9,000-ton freighter Lehigh, flying the American flag, was torpedoed in the south Atlantic at 9 p. m. Sunday night.

Endorsing the statement of Secretary of State Cordell Hull that such acts are piracy, Roosevelt said that it was believed no lives were lost although the ship sank.

But, he added, it was also believed several persons might have been injured in the explosion. One boatload of survivors has been picked up, he said, and two additional boatloads are being sought.

The president said that the torpedo was launched by a submarine. He left the unmistakable inference that the attackers must have been German.

The attack occurred between South America and Africa, close to the equator, Roosevelt said. He added that the ship went down nearer the southern bulge of Africa than the South American coast.

Its specific position, he said, was 8 degrees north latitude, 14 degrees west longitude.

Explaining that he had received the news of the sinking only three minutes before his press conference began, the president said he was unable to determine immediately how many men were aboard the Lehigh.

The president added an emphatic "ditto" to the week-end statement of Hull that the United States government did not often write notes to international highways.

Hull made that remark at a press conference, when he was asked whether any official protest was planned in the torpedo attack on the U. S. destroyer Kearny in the North Atlantic, south and west of Iceland last week.

Roosevelt said that Hull also was dead right in describing such piracy.

The situation now has arisen where any ship of any nation on the seven seas may be destroyed without warning, Roosevelt said, adding that this recalls the phrase first voiced during the first world war by the German ambassador to Argentina:

"Spurlous versankt"—"sunk without a trace."

Roosevelt said the Lehigh had discharged her cargo at Bilbao, Spain, and was running empty to the Gold Coast of West Africa on a trading voyage when it was sunk.

"Was it sunk in American defensive waters?" a reporter asked. Roosevelt responded in stern tones that resounded throughout his office. (The sinking) took place on the seven seas, he said.

Greater Aid to Russia Requested

London, Oct. 21 (AP)—A deputa-tion representing workers of nine big London area factories left a resolution at Prime Minister Winston Churchill's official residence today urging greater British aid to Russia and demanding that Viscount Halifax, ambassador to the United States; War Secretary H. D. R. Margesson and others alleged to be lukewarm in pressing the war, be dismissed from office.

The resolution said that the workers felt grave concern at the critical situation in Russia.

U. S. Ultimatum Issued, Say Nazis

New York, Oct. 21 (AP)—Radio Berlin, in a broadcast heard by the United Press listening post, said today that the United States had presented an ultimatum to Guatemala demanding complete exclusion of Germans from business and seizure of their bank assets.

"The American diplomatic representative dared to remind the government of Guatemala of the fate of Panama's ousted president," the broadcast said.

Hull Urges Speedy Approval Of Resolution to Arm Ships

Washington, Oct. 21 (AP)—Secretary of State Cordell Hull today urged the senate foreign relations committee to approve speedily a house resolution to arm American merchant ships, lest American efforts at self-defense come too late.

Hull was the first witness at hearings on the house-approved resolution. His testimony followed a White House conference with congressional leaders, who reported that they would press at this time only for the ship-arming bill rather than repeal of the entire neutrality act.

Senate Democratic Leader Alben W. Barkley of Kentucky emphasized, however, that there was "no hard and fast decision" on that point.

The hearings were closed, but Hull issued copies of a prepared statement which he read to the senate committee.

Stalin Commands Moscow Defense

Russians Holding Well In All Sectors; Nazis Using 25,000 Tanks

London, Oct. 21 (AP)—Premier Josef Stalin has assumed personal command of the defense of Moscow and has established his headquarters in an armored train at the front, British press dispatches reported today.

It was asserted that Stalin was now personally the commander-in-chief of the Russian forces on the entire central front rather than premier.

A Daily Mail dispatch said Stalin had gone to the front in his familiar blue blouse, field breeches and top boots, the same uniform he wore when he fought the czars in the Russian civil war.

Government Moved
It was added that the Russian government under Foreign Commissar Viacheslav Molotov, had now been installed at Kulbyshev, 540 miles southeast of Moscow.

The Daily Mail dispatch reported that the Germans were using on the Moscow front as many as 25,000 tanks, 2,000,000 highly mechanized troops and about three-fourths of the operational strength of the German air force.

Adolf Hitler, it was asserted, had thrown in three new infantry armies within the last few days.

It was indicated that the Russians were holding well in all sectors. Military experts said every hour the Russian forces continued to hold, gave vitally needed time for the city's hundreds of thousands of workers to build new tank traps and pill boxes which might make the difference between victory and defeat.

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The hearings were closed, but Hull issued copies of a prepared statement which he read to the senate committee.

Hull said it was "both urgent and important" to repeal section 6 of the neutrality act, which prohibits the arming of merchant ships. He repeated but did not emphasize, his previous contention that congress should repeal section 2 which bans American ships from belligerent ports.

He testified that the condition of world affairs is such that "unless it is promptly dealt with, efforts at self-defense may come too late."

"I am convinced that in the interest of our national security the passage of the pending bill to repeal section 6 of the neutrality act is both urgent and important," he said. "Inasmuch as section 2 is not under consideration I will offer no comment except to say that in my judgment section 2 should be repealed or modified."