Basketball Scores appear first in The Oregon Statesman. While you sleep, Statesman report-ers cover the games. Read about them over your break-

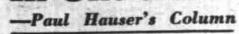


Cloudy and unsettled today and Saturday with occasional rains; snows over nountains; no change in mperature. Max. temp. Thursday 51, min. 88. Riv. er .4 ft. North wind,

Weather

EIGHTY-NINTH YEAR

Finnish Airmen Silence Heavy Russ Cannon



Purely Personal:

Got up in the cold grey noon and after having brunch whisked away to the of-

fice, where, much to our amusement, we found a note directing us to call Mr. M. Mitchell between 9:30 and 10 a. m. Guess we'll just have to learn to talk in

our sleep. The printery Pau n. asaset. 11. was a dismal place so we got out of there and went a-wandering to our inner sanctum, where we set about composing a ditty to greet the New Year and met with one of the Oregon Motor Stage small success after an hour of buses when they start down town travail

Got out of there and wandered to the Bluebird, where we partook of a little beef and bread and read more of the amazing doings of the Finns, who are still slipping the Russians a Mickey Finn. The Russian Reds, it seems, are sorry they had a white Christmas.

There Jimmy Nicholson, the late gridder, was sitting discussing the state of the nation and what all with Virginia Cross, who is home from school, too. Which reminds us that there are a lot of children home from the education mills and borrowing the family car.

Strolled back to the printery, it being 2 p. m. and time to begin what we fondly call work. Didn't begin work.

Sometime later we woke up to realize we were on High street and there was Walter Kestly, the cop, and his wife, heading home from shopping. And Walter, who rides around all night in a prowler car look-ing for burglars and such, wished he was a reporter, who walks around all day and all

night, looking for an honest man, but not looking like one. pped into that well known State street resort and found Bud Johns, who is old enough to know tter, practicing with a yo-yo, CLristmas but hasn't been able to give up yet. He's getting pretty good with it, too. Rex Putnam's the pretty of the state belong to the same tor the state belong to the same company. Lines here are State (Turn to Page 2, Col. 2.) boy Rex dropped by, affecting a street, Chemeketa street, High-land avenue, Twelfth street and crepe hair. And Judge Lewelling's boy Blevins was in there, too. So was Vivian Noth of the Southern Pacific Noth's whose boy friend, Leonard Younce, is in Honolulu with the Oregon State football team and she is worried about 121/2 cents an hour for employes hula-girls and such, but not much. Hied away to the sheriff's office where we found that genial person, Mr. Andrew C. Burk, exnight. plaining the merits of some new fishhooks, guaranteed to catch any fish that as much as smells the bait. They weren't baited, so PGE Head Urges county clerk's office and decided Christmas must be over, for it's the first day they haven't had candy. Down all the flights of stairs again and over to the AAA of-fice where Miss Barbara Benhas been compiling some sort of a record by applying for more automobile licenses than anyone in Salem. It's a service of the AAA and she trips mer-rily to the statehouse twice daily to get licenses for the members too tired to go them-Jerry Parker was there and she almost scared us with a koala bear, which is a kind of bear that lives in Australia and climbs trees. This one was only a doll, though life size, and was made into a purse, with the zipper down the back. Jerry's mother, Mrs. Harvey Parker, sent it to her from Honolulu, where she is spending a vacation. The koala excited quite a bit of interest when Jerry wore it with her fur the 1940 event, which was assured coat in Portland recently. Strangers stopped her on the street and asked her if the bear was a cub of the coat.



Halt City Serva

Eugene H **Employees Ask Increase** in Wages by 1 A. M.

on Saturday

A couple of thousand Salem residents in the habit of hopping will find themselves afoot tomorrow morning, unless settlement

of a wage dispute between drivers, mechanics and helpers union and company officials is consummated. The employes have set 1 o'clock Saturday morning as the deadline for the walkout. The proposed walkout would

include all lines of the company, and would practically stop northwestern Oregon bus transportation, except for the main lines on the coast and through the Willamette valley. Eugene city bus system as well as Salem also is under control of Oregon Motor

Stages. Several recent conferences between employers and representatives of the union have failed to reach a settlement of the dispute, union members here said last night, but they were, at the same time, of the opinion that the com- p.m. on Saturday, December 20.

pany would accede to the employe demands rather than stop the service of the stages. Tieup Would End 10 Years Continuous Service Officials estimated that 2500 was prominent as an athlete. De-

fares, roughly, use the six lines spite his lack of weight he was of the Salem city service each considered an outstanding tackle day. A tleup in the system would on the Willamette eleven in the be the first break in service since '90s when the Willamette team the Oregon Motor Stages took played on even terms with the



William P. Ellis Elected President of Bar Association at Annual Meeting Here; **Roy Harland Is Vice-President**

After unanimously electing William P. Ellis president, Roy Harland to the vice-presidency and reelecting J. Ray Rhoten as secretary-treasurer, the Marion County Bar association last night heard Dr. Frank Munk, until April of this year a professor at Prague university in Czechoslovakia but now teaching at Reed college in Portland, predict there would obe a "new German putsch by the

end of February or first of March." **Attorney Change** Holding its year-end meeting at the Marion hotel, the associa-

Still Uncertain tion lost little time in elevating its 1939 vice-president, a Salem attorney, to the presidency in accordance with the association's precedent.

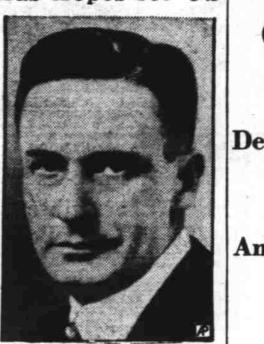
Munk, in predicting the new German putsch, said he nor no one else could say for a certainty where it would strike, but indicated it probably would be di-Whether or not the city council rected at Norway or Sweden, or will change legal advisers at its

possibly Holland or the Balkans. annual election meeting Tuesday "The news reaching you night remained a mild uncer- through your daily newspapers

tainty yesterday but inquiry in- and by way of your radios is essentially correct, and I think your dicated the incumbent city attorpress correspondents and radio ney, Paul R. Hendricks, had his men in Europe are doing a splendid job," said Munk, who through Alderman Lawrence N. Brown, his affiliation with the Czechoslovakian government until its one of the council's "juniors," remained strongest contender for fall was closely connected with Hendricks' position although he the German situation.

has made no open declaration "Never was a people so well inas a candidate. Rather than risk formed about what is going on, the chance of resigning his coun- You are better informed upon cil seat immediately and more European affairs than the the peoopenly seeking the paid attorney's ple in Europe.' post, he is pursuing the usual pol-Munk said the Russ-German al-

icy of waiting until the last min-ute to see if he is certain of liance has been in effect a long winning the election, which is time and predicted it would condecided by vote of the aldermen tinue until the dictators of both countries gave up hope of a world



On Viipuri; Finns Over in 3 Places

Defenders Hold Ground on Frozen **Karelian Isthmus, Make 3 Efforts to Cut Rail**

Annihilation of 2 Soviet Companies Is Claimed by Finnish Troops Along Mannerheim Line

By LYNN HEINZERLING

HELSINKI, Dec. 29-(AP)-(Friday)-Finnish aviators were reported today to have silenced with bombs the long-range Russian cannon which has been shelling Viipuri. while the Finnish army held its ground in desperate battles on the ice of the Karelian isthmus and carried the fight to Russian soil in three other sectors.

The Finn fliers thus were reported to have relieved the pressure on Viipuri, Finland's second city, which has been bombed by day and shelled by night for a week.

Helsinki had an air raid alarm for 40 minutes, at 12:10 a. m. (2:10 p. m., PST, Thursday), but no planes were heard or seen.

had annihilated two more com- notch in its belt because of the

panies of Russians in a savage pinch in money and shipping

the terse Finnish army commun- exchange, the government added

ique which told of renewal of Rus- sugar and all kinds of meat to

ham.

n the United States because the (Determined Russian activityo founders established the separabove the Arctic circle was retion of powers among executive, ported in Stockholm dispatches which said the red army had legislative and judicial branches of government and because the launched a new assault on Finpeople have become alert to mainland's "waistline" with hundreds tain this separation so that no of new quick-firing field pieces dictator might arise. Now that brought up for support.) congress after six years of sub-

But yesterday's Finnish army serviency to the executive branch ommunique declared the Finns has reasserted its independence, were steadfastly breaking every the outlook for survival of the American system is improved. Russian assault in the Karelian sector, and indicated fast-moving Such were the observations of Congressman James W. Mott in ski troops had crossed the fronhis address at the Mott mass meettier in three places on the eastern front.

hand-to-hand battle on the war-

scarred ice of Lake Suvanto, east-

ern key of the Karelian isthmus

sian attempts to break the Man-

nerheim line. The Red army was

reported to have left 700 dead on

the frozen surface of Lake Suvan-

This time, the Finns said, the

to before this line, last Tuesday.

in man-to-man fighting in which

reasonable tenure and higher sal-

Although three teacher retire-

ment measures have been de-

'our troops wiped out two com-

"The battle was fierce," said

Mannerheim line.

ing arranged by Pro America and the Marion County Republican **Two Russ Companies** club which drew a crowd of sev**Britain Takes** Notch in Belt

Sugar, Meat on List of Rations as Empire **Pinches Money**

space for food.

LONDON, Dec. 28 .- (/P)-This island kingdom of hearty-eating The Finns declared today they ficially today to take another

With 45,000,000 mouths

feed, mainly with produce from

overseas for which Britain must

pay in dollars and other foreign

the ration list, Already down for

rationing were butter, bacon and

Furthermore, it announced a

government monopoly on pur-

chase of all imported meat, and

all domestic livestock sold for

slaughter, and decreed, govern-

ment control of meat distribution

throughout the United Kingdom.

Beginning on January 8, the

ugar allowance will be 12 ounces

(Turn to Page 2, Col. 5.)



Girl Identified As Entertainer

LOS ANGELES, Dec. 28-(AP)-The nude, slashed body of an at-tractive blonde girl was identified today as that of Jerry Burns, but no definite clue as to her slayer was disclosed.

A friend, Beverly Ann Greenwood, said at the county morgue that Miss Burns was an entertainer employed at a Fifth street sa-loon and lived in an east side semi-sium neighborhood.

ero and fierce winds whipped Miss Greenwood said she last from the Black Sea claimed many now the victim at 8:30 p.m. lastvictims among the hundreds of thousands of hemeless driven into the fields and mountain fast-The measure of the disas night. The body was found today on a vacant lot.

"I work in the same place she aid," Miss Greenwood asserted, der the steep cliffs of the Janik mountains which skirt the Black "but I don't know who killed her. I didn't know she had any ene-

Police inclined to the belief ian border. that Miss Burns had been slain by a spurned suitor.

Luton Reelected

over here about 10 years ago.

17th stret. Union members voted last New Year's Eve month to authorize the negotiating committee to call a strike unless the company agreed to an increase of 1 ½ mills per highway mile for "outside" drivers and

working inside cities. No basis for arbitration of the issue had been reached late last

Bonneville Load day.

fith, president of the Portland chief of police. General Electric company, said to-

lay. part of the company's program of clerk, said. cooperation with the federal government in building a load on Bonneville.

The private utility executive praised President Roosevelt for developing the Columbia river.

Fair Dates Set

BAN FRANCISCO, Dec 17 .- (AP)-The executive committee of the Golden Gate International exposition Tuesday set May 25 to Sept. 29 inclusive as definite dates for last week after the major portion plans for re-opening. Hendricks.

Three additional tremors, sub- ing.

Of the casualties perhaps 20,

Whole villages were buried un-

ica shore on the Turkish-Armen-

jured.

In the Erzinan region, high in

Temperatures 22 degrees below a terrifying picture.

000 were counted as dead.

leading Pacific coast elevens. He Besides the city lines, the Sa- retained a keen interest in sports lem office handles the Salam-Dallas-Falls City-Blackrock line. At a later period he returned to strong.

BERT WARREN MACY

Lawyer Succumbs

Bert Warren Macy Was

Active in Civic

Affairs Here

of Salem, former city alderman

and city attorney and prominent

in republican activities for many

years, died late Thursday at his

Funeral services will be held

Born March 26, 1876, Mr. Macy

from the Rigdon chapel at 2:30

attended the old- East Salem

school now known as the Wash-

ington school and later attended

Willamette university where he

home, 444 North 18th street.

Bert Warren Macy, 63, native

Prominent Salem

Dances Lawful City, County Laws Do Not

Ban Sunday Dancing; **12** Is Deadline

> Neither Salem nor Marion county officials may interfere with ty officials may interfere with New Year's eve dances Sunday Capt. Devaney to night, examination of local dance hall regulations indicated yester-

The city dance hall license or-PORTLAND, Ore., Dec. 28-(AP) dinance does not prohibit Sunday Every electric utility corporation dances. Its only time restriction in the northwest should cooper- is a provision tht dances shall ate in building a load for Bon- not run past midnight unless a neville dam, Franklin T. Grif- special permit is granted by the The state law under which the

county regulates dances outside He told the City club that his of incorporated towns and cities company's recent rate reductions also has no Sunday restriction, for residential consumers was a H. C. Mattson, deputy county

No county-regulated dance hall has yet taken out a 1940 license, Mattson added. Unless new licenses are obtained today or Saturday, holding of dances in these

halls after midnight Sunday will be illegal.

Many inquiries directed to city concerning dances New olice Year's eve this year have been answered erroneously, with the advice that Sunday dancing is illegal, it was learned yesterday. That the city code does not contain such a prohibition was veriof the 1939 creditors agreed to fied by City Attorney Paul R.

revolution that would install com Friends of Hendricks expressed munism, naziism or Hitlerism, all confidence his position continued of which he said are synonomous.

Alderman Brown Strongest

Candidate for Post

of Hendricks

shy opposition guessing.

and the mayor.

civil service.

"Germany and Russia are col-Three former city attorneys are laborating in a common plan," he understood to be "willing" to said. "Russia is to have a free accept reappointment. They are hand in Asia and to get Finland Chris J. Kowitz, one-time alderman as well; William H. Trindle and British India. Germany is to and Fred A. Williams, who was have Norway and Sweden and a protectorate of all of Europe." defeated in a race for reelection

"Naziism is more communistic as sixth ward alderman in 1938. than communism," he said. "Nazi-As far as may be ascertained, ism is a social revolution, as much City Engineer J. H. Davis, Buildso if not more so than coming Inspector E. C. Bushnell and munism. Every totalitarian gov-Sanitary Inspector Batty Cooper ernment inevitably leads to comhave no opposition. Positions of munism. Once you start regimentchief of police and fire chief, ing any part of your economic formerly up for council action equipment you have to regiment each January, are now under everything until you finally ar-

rive at communism, naziism, or whatever you wish to call it." The onetime member of the

Czechoslovakian planning commission said economic blockades will **Head Air Board** not stop Germany, that Germany is much better situated economically than most people believe and that there will not be a Ger-**New Director Experienced** man revolution unless the allies should score a major military victory and thus turn the people

against Hitler. "At least 95 per cent of the PORTLAND, Dec. 28-(AP)-Cap-Germans are behind Hitler totain Leo G. Devaney, identified day," he said. "German workers, with military and civil aviation many of whom were formerly

since 1917, was appointed state aeronautics director today, succommunists, are solidly behind him." "The German food situation is (Turn to page 2, column 1)

> '39 Record Up to **New Year Drivers**

During the World war Devaney CHICAGO, Dec. 28.-(AP)-New Lanchow is on the supply route Year weekend drivers will write from soviet Russia. Other raids served as flying instructor and either "success" or "setback" at were carried out in southwest the bottom of the nation's 1939 China designed to sever Chinese traffic safety record.

The national safety council said China. today the number of fatalities recorded in motor vehicle acci dents in the last few days of the He was operations manager of current year would determine United Air Lines at Medford from whether the loss of life in 1939 would be greater than the 1938

total of 32,400. The council reported 28,690 persons were killed during the first 11 months of 1939. This was one per cent fewer than during the corresponding period of

1938, but an upsurge in deaths in December, especially during the Christmas weekend, was inof the school's financial problem, William J. McKenzie, Portland dicated. at the Oregon state teachers' con-

In urging caution upon pedestrians and motorists during the New Year eve celebrations, the agency suggested: its contribution to schools, Mc-Kenzie said, and a sales tax is the best method. He asserted Oregon contributed less than any other

1, Don't drink if you drive. 2. Ask your children not to ride with drinking drivers. 3. Keep alert, Be prepared for what the other fellow may do.

20,000 Claims to **Be Filed by First**

ing school districts would help equalize the tax load, he said. "The unwillingness of districts Nearly 20,000 claims for 1940 bless benefits will be before the to reorganize is based upon a misstate unemployment compensation understanding which can be corcommission on January 1, prorected by the proper approach," vided the present pace at the he said. "Schools and public roads have been accused of hog-ging the tax dollar but they have Sub-zero temperatures gripped western Kansas. Light snow fell state's 21 employment offices continues, officials said.

eral hundred to the old high school auditorium Thursday night. As for the people of Europe, there must be doubt whether life is worth much to them in the absence of liberty, Mott observed. It is the business of Americans to (Turn to Page 2, Col. 4)

End of Subserviency in

Congress Good Sign,

Mott Declares

Free institutions have survived

Japanese Speed Thrust in China

Sweeping Offensive Marks Russians actually succeeded in crossing the lake to reach Finnish **2600th Anniversary of** defenses on the rugged north shore, but they were driven back

Nipponese Empire

SHANGHAI, Dec. 28.-(AP)-A panies." sharp Japanese drive in south "The enemy again left numer-China and widespread air raids ous dead on the ice," said the today laid groundwork for a more army's story. sweeping offensive which Japan-Finns In Russia se hope will prove a fitting mili- In Three Places tary celebration of the 2600th anniversary of Japan's legendary Dec. 27 in the fourth week of the founding.

The southern campaign spread- Soviet Russian planes had been ng out above Canton was led by shot down, and indicated that Finthe imperial bodyguards division nish troops are fighting in three in an advance which Japanese places on Russian soil. said had progressed 50 miles in

(Turn to page 2, column 1) five days. Japanese reported that the bulk **Death of Ontario** of Generalissimo Chiang Kai-Shek's Kwangtung province forces, about 100,000 men, had **Woman Mystery**

sustained a defeat but Chinese declared the Japanese were being ONTARIO, Ore., Dec. 28-(AP)-Mrs. Clara Thomas, 55, was found checked in a battle still in pro-

gress. dead beside her husband John C. Three days of air raids on Thomas on the kitchen floor of Lanchow, capital of Kansu prov-ince in northwest China, were their ranch home six miles north of here early today.

described by a Japanese spokes-Sheriff C. W. Glenn said the man as the largest of the war. husband was in a liquor-induced stupor and was oblivious to his wife's death.

school director, told 2000 teachers

A new tax revenue must be

found before Oregon can increase

state except Kansas to schools.

Governor Sprague was "disap-

pointed" over "failure of the

school forces to come forward

and champion a move to consoli-date." A reorganization bill unit-

vention today.

Although furniture in the room supply routes from French Indowas smashed, the sheriff said there were no marks upon the woman's body to indicate external

Teachers Told Sales Tax Is

The same spokesman called (Turn to Page 2, Col. 5.) injuries.

Reorganization of **Brewery Doubtful** Summarizing the fighting of war, the communique said nine San Francisco Interests Withdraw From Salem

Beer Enterprise

Plans for reorganization of the Salem Brewery association by Sam Francisco interests which have been operating the properties since August, 1938, have failed, it was learned yesterday as stockholders received letters from W. G. Stackman, brewery manager, announcing that the San Franciscans have withdrawn and turned control back to the stockholders.

The brewery was taken over by the San Francisco financiers, large creditors of the brewery, under a plan by which stockheld-ers assigned their stocks for a period of three years and creditors agreed to wait until reorganization was made.

Under the agreement, according to Lewis Lachmund, a principal stockholder, the brewery has continued to operate at a large loos, Withdrawal of the San Francisco operators indicates, he said, **Only Solution to Problem** that unless new capital arrives or greatly increased consumption of the product comes about the brewery must shut down.

PORTLAND, Dec. 28-(AP)-A tion plan will give us better sales tax is Oregon's only way out schools at the same or less cost." Lachmund said that the brewery's product in new contain District consolidation will rehas met good response, but that outside competition has made the duce the unit cost per pupil with a consequent decrease in taxes, he volume of the Salem brewery insufficient to meet operating ex-

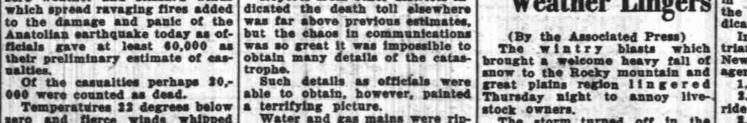
Dr. Dexter M. Keezer, president of Reed college, declared stream-lin ed machinery was needed to penses and fixed charges. The capacity of the brewery in 30,000 barrels a year. It has been help truth catch up with "large-scale lies." He suggested special supplying only about 16 per cent of the consumption in the WHtribunals for persons "plausibly charged" with circulating "social lamette valley area, according to Lachmund, who stated that a 56 and political falsehood." Rex Putnam, state superintend-

per cent consumption would an-able the brewery to operate near capacity and make a profit. ent of public instruction, said the goal of Oregon teachers should be a program embodying econo-mic stability after retirement,

38 Civil Cases On Court Docket

feated by the legislature, Putnam Nearly a record, 38 civil cases said "we must keep at it." Adevill be set on the trial docket in Judge L. H. McMahan's court quate salaries he pegged tentatively at \$3000 a year. Robert G. Clostermann, Ger-

Saturday. Three criminal cases, including



Water and gas mains were ripdirection of the Texas Panhandle

The measure of the disaster in Ranchmen in the region feared for their livestock as weather forecast a 20-mile observers northwest wind.

to the stricken thousands-grew as the day advanced. Fragmentary reports from Erthe mountains of Armenia, alone zincan province said virtually evthere were 42,000 killed and in- ery one of the 16,000 inhabitants of the ancient town of that name Every building in the district was killed or injured.

Sub-Zero Cold, Fires Add 1934 to March, 1937, when he resigned because of illness, from To Damage in Turkish City which he has recovered. **Midwest Winter** ANKARA, Turkey, Dec. 28 .- (AP) | and prevented effective fire fight-

sero weather and blizzard winds Reports from other districts in-

Weather Lingers

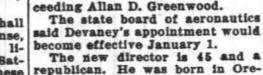
The storm turned off in the

ped asunder as the earth bulged in some places and burst open in and gulf coast laying more snow on the five to 18 inches which fell earlier in the week.

Anatolia, a region often visited by earthquakes - along with the fear of epidemics as a result of the difficulties of getting relief

The storm had moved as far south as San Angelo, Tex. Snow and sleet were expected at Dallas and Fort Worth. Amarillo reported a minimum of 14 degrees.

aeronautical engineering officer at Kelly field, Tex. He was commanding officer of squadron D at Kelly field. He was superintendent and chief pilot of West Coast Air Transport company before it became Varney Air lines in 1931.



Stanford university.

gon and received his early educa-

tion at Roseburg. He attended

in Military, Civil

Aviation Work

PORTLAND, Dec. 28-(AP)-Re-election of M. B. Luton, Portland, as president of the Oregon build-ing congress for 1940 was an-pounced Wednesday. Light snow reil pounced Wednesday. Light snow reil pounced Wednesday. Light snow reil continues, officials said. Last week 6290 filed unem-filed unem-filed unem-filed unem-filed unem-filed unem-filed unem-files were raging. A message from the governor-general said many were frozen to death. The water supply was frozen ing congress for 1940 was an-nounced Wednesday. The water apply was