It's Complete
Watch your Oregon Statesman. See how it covers the news completely, presents it interestingly each day, with due attention to local happenings.

The Oregon Statesman

FOUNDED 1851

Weather
Rain today; local showers and cooler Monday; heavy snow in mountains. Early report gave wind velocity as gusty, 86 m.p.h. and as high as 70 m.p.h. River 5.4 feet. Clear and windy.

NINETIETH YEAR | Salem, Oregon, Sunday Morning, December 22, 1940 | Price 3c; Newsstands 5c | No. 231

Wind Storm Damage Heavy Over Northwest

Portland Firm Has Contracts, 2 Mine Layers

12 Million Dollars May Be Cost of Each; to Expand Shipyard

Half Million per Month in Wages Prospect; Frontage Leased

PORTLAND, Dec. 21.—(AP)—Contracts to build two mine layers for the navy, to cost $12,000,000 apiece, with an allocation of $1,000,000 to expand facilities, was awarded today to the Willamette Iron & Steel corporation of Portland.

This announcement, the first official word that the local concern will get the large navy order, was made in Washington, DC, by Secretary of Navy Frank Knox, who awarded contracts to private shipyards for 31 additional mine layers, tenders and other naval vessels estimated to cost $265,765,500.

The amount allocated for constructing each mine layer was not announced from Washington but it is believed here on good authority that each ship will cost $12,000,000. Of this amount 60 per cent will be paid in wages to Portland laborers working directly on the mine layers or in shops constructing equipment for the job, largest shipbuilding order to be awarded Portland since World war days.

It is estimated that about $500,000 in wages will be paid monthly to workmen and that between 1800 and 2200 men will be employed, working at least two and possibly three shifts daily.

An official of the Willamette Iron & Steel said that the company has not yet been notified by the navy of the contract award. The mine layers, he said, will be built on ways to be constructed on property adjoining the company's plant at 2860 NW Front avenue. This property is under lease to Willamette. It borders the river and extends northward to the Oceanic terminal. Addition of this 20-acre site will give the firm a total of 1745 feet of river frontage.

Details on the mine layers were not made public but it is believed here that each will be approximately 460 feet long, that the contract calls for completion within 32 to 36 months and that

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North California Sees Flood Peril

Clearing Weather Outlook Lends Some Comfort; Rivers Are High

SAN FRANCISCO, Dec. 21.—(AP)—Drenching rains over all northern California raised stream and river waters to dangerously high levels in some sections today, interrupted train service, flooded highways and washed away much snow in the mountains.

The forecast was for clearing and cooler weather tonight, however, with rain reaching the southern part of the state probably tomorrow. It rained as far south as Fresno today.

Dunsmuir and Kennett, north of Redding, were about the wettest spots in the state today. At Kennett, 5.82 inches of rain fell in the 24-hour period ending at 7 a. m., and it was still falling this afternoon.

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Compressed Air And City Water Yield 'Charged'

PORTLAND, Ore., Dec. 21-(AP-West-side apartment dwellers agreed today that Portland certainly was the place to spend the holidays.

They turned on their kitchen faucets and out came charged water.

Alarmed water department investigators found a service station attendant had "mistakenly" connected a compressed air tank to a city water pipe.

Mayor Chadwick "Buys" Admission To Monday's Canned Food Matinee

Mayor W. W. Chadwick sets an example for younger "kids"—or anyone else who wants to participate—by paying for several admissions to the Warner Brothers-Statesman canned food matinee, scheduled for Monday forenoon at the Elsinore theatre. Manager Carl Porter is "taking tickets." One can of food, variety unlimited, will admit to the show—and the food will go into the baskets being prepared by The Salvation Army in its Christmas Cheer program. —Statesman photo.

Food Matinee Monday; To Aid Cheer Program

Doors of Elsinore to Open at 10:30 a. m., films Start at 11; Salvation Army Winding up Preparations to Fill Many Baskets

Arrangements for the Warner Brothers-Statesman "canned food matinee" to be held Monday forenoon at the Elsinore theatre were completed Saturday as The Salvation Army, which is to utilize the foodstuffs obtained in connection with its Christmas Cheer baskets for needy familes, also rushed toward completon its plans for their distribution.

Indications were that the canned food matinee, to which admittance may be gained by presenting one can of food, no matter what the variety, in lieu of a ticket, will be more extensively patronized than the one a year ago.

Doors of the Elsinore will open at 10:30 a. m., Manager Carl Porter has announced, and the show will start at 11 o'clock. From the short subjects to the Laurel and Hardy comedy feature, the show is designed to please young people and be in keeping with the Yuletide spirit, but anyone is privileged to patronize it.

In One Ear..

—Paul Hauser's Column

Paul H. Hauser, jr.

We don't recall where we first met him, but we now wish that meeting had never occurred. We were getting along fine, minding out own business (after a fashion) and having a good time until he came into our life.

We suppose it was unavoidable that we should meet. We had heard of him from many sources and, up to the time that we came under his baneful influence, we had been surprised that anyone could have such a wide acquaintance and still be so thoroughly unpopular.

It seemed that nearly everybody knew him, but nobody liked him. It may have been that he was in search of a friend, for he overlooked no means to widen his circle of acquaintance.

There was, however, a certain power about him. It was only a few hours after we met him that he had us sold into the Kleenex league without our consent.

From that moment we hated his presence. His touch on our skin seemed clammy and cold and during his entire visit our joints felt as if they had been recently taken apart and reassembled by an apprentice pipefitter.

That, in brief, is the history of our acquaintance with Old Debbil Flu, who is standing by our bedside as we write this and closely inspecting the copy for libel.

♦

Wouldn't it be a tragic thing if Santa instead of coming down the flue this year came down with it.

Draft Law Upheld By Federal Judge

BOISE, Idaho, Dec. 21.—(AP)—Congress has the power to "compel military service of a citizen," whether in "peace time or war time," Federal Judge C. C. Cavanah ruled today.

In an opinion denying two brothers' motions to quash an indictment charging failure to register under the selective service act, Judge Cavanah said:

"Our national history and court decisions uniformly have recognized the existence of the power of congress under the constitution to compel military service of a citizen in case of need, when it so declares, whether in peace time or war time, and to make preparation, if congress declares that it is imperative or necessary, or that an emergency exists requiring the raising and support of an army."

The brothers, Boyd B. Cornell, 24, and Clark Cornell, 30, of nearby Middleton, a farming community, challenged constitutionality of the conscription act, contending congress lacked authority to recruit civilians during peace time.

Waiving Lockout and Strike Right Advocated by Hoover

NEW YORK, Dec. 21—(AP)—Former President Herbert Hoover declared tonight that employers and employes in essential war industries should waive their respective rights of lockout and strike "in favor of arbitration."

In a nationally broadcast speech (NBC blue) accepting the 1940 gold medal of the Pennsylvania society of New York, Hoover decried "intolerance" in the United States and said he believed the best way to cope with defense and allied problems was "to definitely organize increase of our industrial efficiency and productivity."

The former president prefaced his discussion of defense and preparedness with the remark that "now that I have divorced myself from politics for the balance of my life, I can devote myself to such discussion without partisan impulses."

"Among the parallel phenomena with 1916-17," he said, "is the ferocity of the discussion going on among our own people."

Developing that theme, Hoover continued:

"Certainly it is a sign of a dangerously irresponsible mind in a nation when patriotic men are fiercely denounced as being the tools of Great Britain or pro-nazi. And by way of pointed illustration, I refer to two men—single-minded men in their devotion to our country. They are William Allen White and Col. Lindbergh—both of whom have

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Germany Irked At US Policy; Warning Given

British Request Shipping Be Turned Over Draws Spirited Rejoinder

Removal of Three From Diplomatic Corps at Paris Requested

By LOUIS P. LOCHNER

BERLIN, Dec. 21—(AP)—An official spokesman of the German foreign office charged today that Britain's minister of shipping was "inciting America to commit a warlike act" against the axis and, in carefully chosen words, added that the United States' reaction "is being awaited by Germany with extraordinary interest."

The occasion for this solemn and emotional statement was a press conference weighted with gravity; the reason, an interview given the American press in London yesterday by Ronald Cross, the British shipping minister, who suggested assignment to the British of the German and Italian ships which are tied up in neutral United States harbors.

The German spokesman, in an aside, added: "The reichsgovernment is therefore centering its entire attention upon this (United States) reaction."

Rome Is Confident It Won't Happen

(Informed but unofficial political sources in Rome said deli-

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Longview Vicinity Suffers in Storm

Hangar Collapses, People at Dance Injured as Tree Crashes in

LONGVIEW, Wash., Dec. 21—(AP)—High winds striking Longview and Kelso at 10:30 p.m. tonight collapsed a hangar housing at least three airplanes; drove a falling tree through a crowded dance hall and started 10 fires.

Anite Olsen, 19-year-old Puget island girl, received a fractured back when struck by the tree at the dance hall. She was in a critical condition at a Longview hospital. Her cousin, Doris Olsen, 17, also of Puget Island, received cuts and bruises from the toppling trunk.

The collapsed hangar was at the Kelso municipal airport. The planes, left to face the wind without protection, skewed crazily across the field, crashing into fences and ditches. Extent of the damage was not estimated.

A shorted power line near Kalama started a small forest fire which was raging uncontrolled at midnight.

At the Pleasant Hill dance hall, north of Kelso, a large crowd was dancing in the light of coal oil lamps—called into service as power lines failed—when a tree 24 inches in diameter crashed through the roof directly in front of the orchestra members and crushing the two women.

The building material building, a lumber yard structure in Longview, collapsed in the wind. The frame structure had been used for storage.

Prayer for Peace Proposed by FDR

NEW YORK, Dec. 21.—(AP)—President Roosevelt, in a letter read today at special services in the Plymouth church of the Pilgrims, called for prayers "that the day may be hastened when the kingdoms of this world shall become the kingdom of God, and the reign of moral force shall supplant brute strength in the government of men."

The services marked the transfer from the former Plymouth church to the Plymouth Church of the Pilgrims of a piece of the original Plymouth rock, traditional landing spot of the Pilgrims at Plymouth, Mass. The two churches, both in Brooklyn, were consolidated several years ago.

The president's letter, read by the Rev. J. Stanley Durkee, pastor of the church, said "We who hold to the old ideals of freedom must keep faith even in the face of the challenge of those ideals over large areas of the earth."

Hit-Run Autoist Kills Cyclist, 11

PORTLAND, Dec. 21-(AP)-A hit-run motorist killed 11-year-old Elinor Marian Falk outright on the super-highway a half mile from her Milwaukie home tonight.

Witnesses said the child was riding her bicycle at the time the car struck her and roared away without stopping.

Ousted Princess Fails to Report

STEPHANIE HOHENLOHE

Princess Believed To Have Departed

Stephanie Fails to Report but May Have Left Without Notice

SAN FRANCISCO, Dec. 21—(AP)—Captain Fritz Weidemann, nazi consul general in San Francisco, hinted tonight that Princess Stephanie Hohenlohe of Hungary had left the United States secretly, complying with a government ouster order.

"I think she has gone," Captain Weidemann said.

The princess, friend of high nazis here and in Europe, had been refused an extension of a visitor's permit, and the deadline for her departure was set for this midnight.

Captain Weidemann declined to say whether he knew definitely where the princess was, and laughed when asked which route out of the country he thought she probably would have taken.

Defense Speedup Goals Described

Navy Orders Are Placed; Gravity of Crisis Is Cited by Knudsen

WASHINGTON, Dec. 21—(AP)—The new defense high command today set as its goal maximum production "in every field which can contribute to victory" and asked for cooperation of "every element in the American community."

The expression of purpose was made by William S. Knudsen, director of the office for production management of the defense commission, in a statement at the close of a day which saw these concrete steps in the rearmament program:

Extension of the export control system to 15 additional items, including chemicals useful in production of war gases and aviation gasoline.

Placing of navy orders totaling $284,218,700 for submarine chasers and auxiliary vessels. Included were four ships designed for placing anti-submarine nets at entrances to strategic harbors.

Knudsen asked the American people to recognize "the full gravity of the crisis" in the world and "figuratively to pull off their coats and roll up their sleeves and give their concentrated, undivided attention to one thing—the swiftest possible production of means of defense.

He said "the contest which produced the crisis is irreconcilable in character and cannot be terminated by any methods of appeasement."

"Both the future security of the United States and the total defense for our democratic princi-

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Late Sports

PEORIA, Ill., Dec. 21—(AP)—The University of Oregon salvaged a 57 to 45 victory over Bradley tonight to give the barnstorming westerners a record of three triumphs in seven games of their transcontinental trip.

Phenomenal shooting gave the invaders a 17 to 7 lead midway of the opening period at which point reserves took over and protected the margin. Oregon had a 28 to 20 lead at intermission and was always seven or more points ahead thereafter.

Paul McCall, Bradley guard, paced the scorers with 20 points and Hank Anderson led the winners with 11.

SAN FRANCISCO, Dec. 21—(AP)—In a nip-and-tuck battle from start to finish, the barnstorming University of Indiana basketball team edged out Stanford tonight, 60 to 59, breaking a tie in an overtime period. Stanford led at the half, 32 to 21.

Bombs Shatter Yuletide Party Groups, London

Bodies and Tinsel Mixed in Tenement Rubble; Fear Many Dead

150 in Building Fail to Heed Raid Warnings; Air War Fiercer

LONDON, Dec. 22—(Sunday)—(AP)—A German bomb smashed Christmas parties in a London tenement house last night and killed an undetermined number of Londoners who were singing carols and exchanging Yuletide gifts.

The raiders scored their hit on the tenement house before midnight and thereafter the raid on the year's longest night tapered off into a lull and the all clear sounded before dawn.

In the streets outside lay bits of tinsel and a star from atop a Christmas tree. Amidst the rubble of furniture, bricks, children's toys and Christmas decorations lay bodies in their respectable "Sunday best."

Men and women who a little while before had been singing carols and exchanging Christmas puddings and candy stood dumbly about the ruins.

"It came like a hammer blow," one man said. "My wife and I were out in the kitchen preparing some food. Inside they were singing 'God Rest Ye, Merrie Gentlemen' and laughing and shouting. Suddenly we heard that awful woosh of a falling bomb. Thank God my kids are with their grandmother in the country.

"There's what is left of the party," he said with a gesture at the broken homes.

There had been parties all around the district, some in air raid shelters and others in homes. When the sirens sounded most of the people stayed in their houses, believing it would be just another "light night."

Then they were dead on the pavements or peering sadly into wrecked homes. The wounded had been taken to hospitals. Children still clutched cheap toys in the cold.

Firemen worked in the tenement wreckage. There seemed little hope that anyone below was alive—the bomb had been a big one. As they worked, pathetic mementoes of the party were shoveled out into the street—a bag of Christmas candies and a red and white figure of Santa Claus.

There probably were 150 people in the tenement at the time the bomb fell. The number of dead cannot now be released.

German fliers had bombed a London apartment house earlier today, causing an undetermined number of casualties there. As they renewed the assault on the city tonight on this, the longest night of winter, raiders were reported crossing the southeast coast at great height in at least two waves.

Liverpool and other Merseyside towns were assaulted for the second successive nights. The nazi air attacks — which followed by 24 hours heavy British raids upon Berlin—extended from the English channel to the Irish sea.

During the day three nazi craft were officially reported shot down.

Poorman, Secor Called To Year's Army Duty

PORTLAND, Dec. 21—(AP)—Orders calling five additional Oregon reserve officers to a year's duty with the army were issued today by Col. J. J. Fulmer.

Included were first Lieuts. John Melchor Poorman and Ralph Schader Secor, Salem, to Fort Sill, Okla.

Salem Vicinity Has Several Blackouts; Power Poles Down

Yuletide Decorations Are Blown Down and Shopping Impeded; Silverton Dark Longer Time, Has Fires

Damage More Serious in Other Areas of Northwest; Building Topples in Portland; Gusts Strong

Whipped by a gusty wind which reached gale proportions for short periods last night, high tension power lines in the Central Howell district between Silverton and Salem crashed to the ground at 8 o'clock carrying ten poles down and plunging Salem into a ten minute "blackout" before power from west side lines along the Wallace road and from the Bonneville substation just out of West Salem could be switched in. Every available lineman in the area was called into duty to remedy the damage which spread over the west portion of Marion county and east section of Polk county in sporadic interruptions. Second major interruption came at 10:15, lasting four minutes.

Most severely hit large area was East Salem where lights were off for more than an hour and a half following the 8 o'clock interruption. An 11,000 volt line was burned out requiring extensive repairs, W. M. Hamilton, division manager of the PGE company in this area, said at midnight.

Local damage extended to falling limbs and trees cutting street lines and some rural service wires. Silverton electricity was cut off at 1 o'clock this morning to repair damage from a burning insulator believed fired by lightning. The Brooks area was blacked out until midnight.

Officers of the Pacific Telephone and Telegraph company in this area reported numerous lines down at midnight. The Statesman was unable to reach the airport weather station for the midnight forecast last night.

Included in damage credited to the wind was the blowing down of several of Salem's overhead Christmas decorations.

Salem firemen were called out during the darkened period to extinguish three of the 12 chimney fires reported last night. The three were at Highland and Myrtle avenues, 1198 North 17th street and 888 North Commercial street. The other nine of the 12 blazes, all reported between 7:30 and 8:45 p. m., were at 1425 North 18th street, 411 North Front street, 24th and Chemeketa streets, 1665 Olive street, Broadway and Shipping streets, 1284 Court street, 625 South 25th street, the California Packing plant, and at 260 South 16th street.

SILVERTON, Dec. 21.—Silverton was "blacked out" for an hour and a half tonight due to power failure resulting from high gusty winds, amidst great inconvenience to merchants and Christmas shoppers. Power was off from 7:57 to 9:25 p. m.

And while the lights were out, two fires occurred—one in the office of the Portland General Electric company which was already having its troubles. The fire, resulting from a short circuit, damaged a desk and burned some papers in a pigeon-hole before its existence was discovered by Helmer Jorgenson.

The other fire was at the John Kloster home north of Silverton. The house was saved despite a delay in calling firemen by telephone, necessitated because the powr failure kept the siren silent.

SEATTLE, Dec. 21—(AP)—A wind reaching hurricane proportions in places ripped across western Washington and Oregon tonight, blacking out cities, toppling tele-

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Inflation Guards Being Developed

Doesn't Mean Government Expects It, Asserted; Trends Analyzed

By IRVING PERLMETER

WASHINGTON, Dec. 21—(AP)—Like firemen who purchase equipment for fighting a catastrophic blaze which may never develop, administration economists are devising methods of combatting inflation from the multi-billion dollar defense program, although saying they do not expect it.

Admittedly, the current situation, with the government putting unprecedented sums of money in circulation in the acquisition of weapons, contains elements tending to increase prices. After prolonged study, however, the professional economists in the government are of the opinion that there is no real threat of inflation.

In general, here are their tentative conclusions:

1. There will be slightly higher prices and greater mass spending power in terms of dollars (although those dollars may not buy as much as at present).

2. After a decade of depression, the country can stand such a mild inflation, if it can be called that; perhaps ought to have it.

3. If real inflation threatens, it can be checked.

Over-simplified, what causes an inflation is this: When money is plentiful, a large number of would-be buyers bid against each other for a desired article and boost the price. The seller, natur-

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Prominent Eugene Lumberman Dies

EUGENE, Dec. 21.—(AP)—Death today ended the career of J. S. "Jack" Magladry, 76, prominent northwest lumberman.

Manager of the Bohemia Lumber company near Cottage Grove, he was also a member of the board of directors of the West Coast Lumbermen's association, a past president of the Willamette Valley Lumbermen's association, and a former republican state senator from Lane county.

A daughter, Mrs. John Trott Murray, Portland, survives.

Crash Victim now Identified As Mrs. C. Wold of Newport

That one of the four victims of the fatal automobile collision on the Hazel Green-Silverton road 11 miles northeast of Salem Friday night was erroneously identified as Mrs. Tillie Vallet, of Scotts Mills, was discovered yesterday afternoon by Deputy Coroner Virgil T. Golden.

The woman instead was Mrs. Charlotte Wold, 40, of Newport, Golden announced. She is survived by her husband, Bert, of Portland, a daughter, Margie M. Helvey, of Glenwood, and her parents, Mr. and Mrs. Gosser, of Oregon City.

William Winn, of Salem, one of the two survivors of the crash, remained unconscious and in critical condition at Silverton General hospital, suffering from a basal skull fracture.

The other survivor, Darline Crites, 3, of Scotts Mills, was suffering severely at the same hospital from shock and a fractured thigh bone, but was improving Saturday night.

Mrs. Champ C. Shepherd, who was burned seriously by flaming gasoline when an automobile in which she was riding was struck by a Salem Taxi ambulance bringing in two victims of the first accident, was described last night by her physician as in "fairly serious condition," as was her husband, who suffered a head injury whose nature had not yet been determined. Both are in Salem general hospital.

The other three persons fatally injured as a result of the accidents were: Arch Clayton Winn, 37, Salem; Ted Crites, 34, and Mrs. Ted Crites, 33, both of Scotts Mills.

State police yesterday turned reports of their investigations of th two accidents over to the district attorney's office. Deputy Coroner Golden said it would be decided Monday whether or not an inquest would be held.

SILVERTON, Dec. 21 — Funeral services for Mr. and Mrs. Ted Crites, victims of automobile accident injuries Friday, will be held Monday afternoon at 2 o'clock from the Ekman funeral home here with interment in the Odd Fellows cemetery at Scotts Mills.

Soldiers Return For Yule Period

Salem took on some of the aspects of an army camp as local boys returned in numbers from the camps on Saturday and many others passed through headed for their homes farther south in Oregon.

PORTLAND, Ore., Dec. 21—(AP)—Thousands of 41st division soldiers—national guardsmen stationed at Camp Murray, Wash.—poured through Portland today en route home for Christmas.

Every conceivable mode of transportation was represented by soldiers reaching here en route to Oregon, Idaho, Montana, and Wyoming homes.

Two special troop trains pulled out of the Union station and crowded busses took others on their way.

The eager soldiers, many of them on their first trips home since mobilization in September were part of the division's 12,000 men granted 11-day holiday leaves.