

# Hitler Faces Policy Decision On Which Way to Move Next Following Balkans Victory

War Analyst Believes Nazis Abandon  
Hopes of Short War and Will Try  
Ukraine or Iraq Oilfields Next

By KIRKE L. SIMPSON  
Special To The Statesman

Now that the battle of the Balkans has resulted in victory for Germany, Herr Hitler is confronted with the necessity of making a major policy decision.

He has promised his people Prime Minister Churchill has reiterated that this cannot be accomplished through German victories in the Mediterranean area or any other subsidiary theater of war. "In order to win this war," Churchill said, "He (Hitler) must either conquer this island by invasion; or he must cut the ocean lifeline which joins us to the United States."

## Winter May Intervene

If that British conception is sound, it follows that England must be broken at sea or invasion within the next six months or so. After that lapse of time, winter will again intervene to lessen her danger both at sea and ashore.

German failure to concentrate the full power of the Luftwaffe and sea attack against England now that the conquered Balkans can be left to armies of occupation would imply that Berlin has abandoned all hope of a short war. And despite stunning Nazi victories wherever the might of the German army has been turned loose on the European continent, the odds in a long war still favor Britain.

Churchill stressed that in his Sunday broadcast. While England's Atlantic lifeline is unbroken, material resources of the British empire and the whole western hemisphere are hers to draw upon. Ultimate British air superiority if England's sea gateways are kept open is assured. It might be attained within another year. May Move East Next

Nevertheless, there are intimations from several sources in Europe that Hitler's next move will be eastward rather than westward. Among other fruits of his smashing Balkan victory and the damaging blows struck at Britain in North Africa, he has gained the enormous advantage of the initiative.

He has imposed a grave threat on Britain that he might achieve an unopposed march through Turkey to seize the Suez canal and gain mastery of vital oil resources in Iraq now feeding the British sea, land and air forces in the east.

A two pronged Nazi thrust to close the western Mediterranean by the masking, if not the capture, of Gibraltar, is also envisioned as possible, even by Churchill. That was what his reference to Spain and Morocco meant; and British reinforcement of the rock and assignment of General Gort to that command shows it is not a lightly regarded threat.

Even a German thrust into Russia to seize food and oil resources, or to limit Russian aid to Turkey, is within the range of possibility. It has caused a maneuver mobilization of red army forces in the Black sea area.

## Bowes Takes 2nd In Prep Meet

TIMBERLINE LODGE, April 28.—(P)—Portland high school students flashed their skills over the finish line ahead of Oregon's best racers in the Giant Slalom meet Sunday on Mount Hood.

The class A title went to Dick Lewis. Bill Siberts took class B for the high schoolers' sweep. Other winners included Bill Bowes, Santiam Ski club, second in class B.

## Film Star Shoots Bear

GOLD BEACH, April 28.—(P)—The screen star, Guy Kibbe, reached here Monday with a bear to show for a three-day boat trip with his wife and Glenn Woolridge, river guide, down the Rogue river from Grants Pass. Fishing was poor because of muddy water between Applegate and Agnes.

## MILK MIXTURE FOR STOMACH ULCERS

A recent medical discovery now being used by doctors and hospitals everywhere has proven unusually successful in the treatment of stomach ulcers caused from excess acid. It is a harmless preparation yet so effective that in many cases the pains of stomach ulcers disappear almost immediately after it is used. Also recommended for gas pains, indigestion and heartburn due to hyperacidity. Sufferers may now try this at home by obtaining a bottle of Lurin from their druggists. Lurin contains this new discovery in its purest form. Easy to take. Just mix two teaspoonsful in a half glass of milk. Costs but little and sold under an absolute guarantee that it must satisfy or money refunded. Lurin for sale by Fred Meyer and drug stores everywhere.



**DR. CHAN LAM**  
Chinese Medicine Co.  
241 North Liberty  
Salem, Oregon  
Office open Tuesday and Saturday only—10 a.m. to 1 p.m.; 6 to 7 p.m. Consultation, blood pressure and urine tests are free of charge. 25 Years in Business!

## Showdown Due on Sales Tax



Henry Morgenthau, Jr., and Daniel W. Bell

Appearing before the house ways and means committee on recommendations made by his department for raising \$3,600,000,000 in new revenue, U. S. Secretary of the Treasury Henry Morgenthau, Jr., is shown testifying as Assistant Secretary Daniel W. Bell, right, looks on. A showdown in the committee over sales tax proposals as substitute for drastic increase in income surtaxes was indicated after Morgenthau presented the administration's proposals.

## War News Briefs

(Continued From Page 1)  
of the city were occupied by noon.

ROME, April 28.—(P)—The newspaper Il Popolo di Roma indicated Monday a belief that Japan might be ready to help Germany and Italy in an effort to prevent United States war supplies from reaching Britain. The newspaper said the Japanese already had declared their readiness to act under the tripartite pact.

OTTAWA, Ont., April 28.—(P)—Prime Minister MacKenzie King predicted Monday in the house of commons that the British empire will suffer more reverses on land and sea in its war with the axis, but "so long as Britain stands, no reverse shall be decisive."

BEIRUT, Lebanon, April 28.—(P)—Police firing on demonstrators in a new outbreak of rioting in French-mandated Lebanon and Syria, killed five persons and wounded 20, it was announced Monday.

HAVANNA, Cuba, April 28.—(P)—Cuban navy headquarters announced Monday night that the gunboat Cuba had seized off the southern coast a yacht flying the United States flag and manned by a crew of nine men believed to be German. The yacht was taken to Batabano and the crew was held on charges of conspiring to violate the Cuban immigration law.

MONTEVIDEO, Uruguay, April 28.—(P)—Official sources said Monday the government is considering the requisitioning of two Italian and two Danish merchant vessels now idle in Uruguayan waters. These sources said the question would be presented to the council of ministers Wednesday.

## Post Installs New Officers

Jack Mantor, of Portland, department chief of staff, conducted the installation of officers for Marion Post 661, Veterans of Foreign Wars, at the VFW hall in Salem Monday night. He was assisted by Bryan H. Conley, of Salem, past department commander, and H. P. Hart, of Portland, department historian.

Lt. Col. C. A. Robertson, of West Salem, is the new post commander.

## County Unaffected by Ruling on Assessments

The recent ruling of the state tax commission striking at the varied ratio plan of assessment in vogue in Multnomah county will not have any effect on Marion county taxpayers, County Assessor Roscoe Shelton announced Monday.

Shelton said the Marion county assessments for real and personal properties have been made as nearly as possible on the same ratio and the same practice has been followed as between dwellings and business buildings.

The state tax commission charged that land in Multnomah county has been assessed at an average of 75 per cent of its true value, homes and buildings at 30 and 40 per cent and personal property at 50 to 60 per cent.

## GE Raises Workers

NEW YORK, April 28.—(P)—A 10-cent an hour wage increase for 75,000-80,000 factory workers in the major plants of the General Electric company was announced Monday in a joint statement issued by the company and the United Electrical Radio and Machine Workers of America (CIO).

## Actor's Son Killed

HOLLYWOOD, April 28.—(P)—Actor Lionel Atwill received a cable from the British air ministry today saying his son, Flying Officer John Arthur Atwill, "is reported to have lost his life as the result of enemy action April 26."

## Court Backs Labor Board And Negroes

WASHINGTON, April 28.—(P)—The supreme court held Monday that the Wagner act prohibits anti-union discrimination in the hiring of workers, as well as in their firing.

Under this new and far-reaching rule, the court upheld the power of the labor board to compel a company to hire men alleged to have been refused jobs because of their union affiliations. The board also can direct the company to give such men "back pay" from the time of their rejection.

In another important case Monday the court decided that negroes must be furnished as good accommodations as whites for interstate travel. Representative Arthur W. Mitchell (D-Ill.), only negro congressman, filed the test suit after being removed from a pullman to a "Jim Crow" day coach in Arkansas in 1937 during a trip from Chicago to Hot Springs.

## Aurora Defeats Turner 7 to 0

AURORA.—Behind the five-hit hurling of Laterase, Aurora put away its second straight Willamette Valley league baseball victory here Sunday. Laterase struck out nine and sprinkled the five hits he allowed through four innings.

In other league clashes, Canby bested Sublimity 2-1, Willamette defeated St. Paul 5-1 and Molalla dropped Mt. Angel 5-4.

Turner 0 0 5 2  
Aurora 7 0 0 0  
D. Russell, Rankin and Sims; Laterase and Hill.

Sublimity 1 2 3 3  
Canby 2 4 0 0  
Shelton and Lulay; Melum and Turk.

Willamette 5 11 1  
St. Paul 1 7 4  
Brospe and Scharback; Becker and Wohlgenuth.

Mount Angel 4 5 5  
Molalla 7 9 0  
Bourbonnais and Grossmiller; Veele, Hagedorn and Vaughn.

## Mill Creek Hearings Scheduled to Resume

Taking of testimony in the adjudication proceedings involving the waters of Mill creek was resumed by the state engineer here Monday. There are approximately 125 claimants involved.

Officials said three days would be required to dispose of the case of the Oregon Pulp & Paper company which is the largest user of water on the stream. Other large concerns to present testimony are the Thomas Kay woolen mill and the Willamette Way company. The latter company operates at Stayton.

Taking of all testimony in the proceeding will be completed within a week or ten days.

## California Is Billed For Cascades Water

SACRAMENTO, April 28.—(P)—California was billed Monday for appropriating the waters of Oregon's Cascade range. The central Oregon irrigation district, Redmond, Ore., thinks \$1,000,000 is the proper sum and marked the demand as "past due."

Knowledge of the debt was denied by Secretary of State Paul Peek who said he would refer the bill to the director of finance.

## Noted Unionist Dies

DENVER, April 28.—(P)—Samuel Clinton Fry, 69, who helped organize the International Electrotypes and Stereotypes union in Omaha, Neb., 45 years ago, died Monday of pneumonia.

## Quell Car Fire

Salem firemen were called out to extinguish a fire in a car at 254 North Front street Monday night with "slight" reported damage.

## FDR Proposal Is Accepted

Southern Coal Men to  
Reopen Mines; Wage  
Accord Retroactive

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and the union had reached an agreement for wage increase, but the southern operators and miners were deadlocked.

Earlier in the evening a delegation of southern coal operators conferred with Commerce Secretary Jesse Jones, it was learned from southern operators. It was understood that the cabinet member urged the southern producers to accept Mr. Roosevelt's proposal a week ago that the southern mines enter negotiations with John L. Lewis' United Mine Workers, reopen the mines, and make the ultimate agreement retroactive to the date production was resumed.

Gaines said in a statement that pending the completion of a wage scale contract with the union, the southern coal producers were proposing to put a wage increase of \$1 a day into effect at once, along with related advances for other day and piece workers.

Spokesmen for the southern operators told reporters they hoped to have their mines in production by Wednesday morning.

Mr. Roosevelt, in a message to Gaines said:

"I am very happy to receive your telegram of acceptance and copy of the letter to Secretary Jones that you will pay \$1 a day additional. I sincerely hope in the interest of immediate continuation of national defense production that the mines can be opened at the earliest practicable hour."

William H. Davis, vice-chairman of the defense mediation board and chairman of the panel which had been attempting to bring about a settlement, informed the president that it was his understanding that the offer of the southern operators was "acceptable and agreeable to Mr. Lewis."

The wage scale minimum in southern mines was \$5.50 a day, under the terms of the biennial contract which expired April 1.

Late in the day a senate committee had declined to try its hand in bringing about a settlement. After a closed meeting of the special committee to investigate defense progress, Chairman Truman (D-Mo.) said the members had discussed the possibility of submitting a "peace formula," but this effort was shelved by the agreement tonight.

Charles O'Neill, of New York represented the northern mine operators and L. T. Putnam of Berkeley, W. Va., the southern operators at the senate committee's hearings.

O'Neill said the northern operators had been ready to reopen since April 21. He declared the southerners had "walked out" of wage negotiations and had declined to accept back-to-work proposals made by President Roosevelt.

The southern operators during negotiations at New York, contended that acceptance of a universal wage increase would be "financially disastrous" to the operating companies.

PHILADELPHIA, April 28.—(P)—Disputing statements by government officials concerning defense industry strikes, Walter D. Fuller, president of the National Association of Manufacturers, asserted Monday night that "propagandizing ourselves into believing that strikes in defense industries don't amount to much is to invite national tragedy."

"America needs to be shocked," Fuller, who is president of the Curtis Publishing company, told a regional NAM conference. "America needs to be brought up short against the stark realism of what is going on about us. Playing ostrich with the unrelenting day-to-day facts of defense production is gambling with our destiny."

Declaring that "the activities of the administration have been pretty much limited to efforts to belittle the effects of strikes" with assertion that "they don't amount to much," the manufacturers' head said "it all depends on what you mean by much."

The soft coal strike "is classified by government spokesmen as a non-defense stoppage," he declared and added "during the first three months of this year strikes in defense industries alone lost 1,577,816 man-days of production."

## Seek Chromite in Sand

MARSHFIELD, April 28.—(P)—Evidences of chromite deposits will be sought in black sand here under a WPA sampling project to start Tuesday. Several similar private operations are under way.

## Six Killed in Traffic

PORTLAND, April 28.—(P)—Five persons were killed by accidents in Oregon Sunday and a sixth death was blamed upon a traffic mishap.

**Last Day**  
**Scotland**  
**a Yard**  
**LIBERTY**

Erral FLYNN  
Miriam HOPKINS  
"VIRGINIA CITY"  
Plus  
"An Angel From Texas"  
with  
Wayne Morris

## Tourist Host School Wants Gas Attendants

Service station attendants in particular are being urged to attend the second session of the Tourist Host school at the Salem chamber of commerce at 7:30 o'clock tonight, according to Virgil Esteb of the Junior chamber of commerce, sponsoring organization.

Harold B. Say, director of the state travel and information service, will be the speaker.

## Aid of Public Asked in Fires

Sprague Says Passing  
of Laws Insufficient  
to Keep Oregon Green

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of this region and of the whole United States.

"The problem of keeping the ghost from this state is a problem grounded squarely upon the self-interest of each one of you men and upon the personal responsibility of every one of us."

"There can be no continuous, profitable employment for men and women; there can be no permanent and profitable investment for capital; and Oregon will not furnish an uninterrupted supply of forest products unless fire are kept out of the forests which surround this community and upon which its present and future depend — the bank in which is kept and accumulated the vital raw material which is life or death for Oregon."

## Firm Offers Pay Raise

(Continued From Page 1)

had been instructed by the local to demand a ten-cent increase, the committee is reported to feel that further negotiations should be carried on to bring the figure nearer the demand. The committee will submit the five-cent offer to the local May 6.

M. C. Woodward, Portland, manager of the mill, represented his concern, and Joe Clancy was chairman of the conference group.

## Quake Felt In Mexico

URUAPAN, Mexico, April 28.—(P)—A strong earth tremor shook this city Monday, causing some damage to private dwellings and frightening the citizenry, but causing no casualties.

This city, well known to American tourists for its native art and natural beauty, suffered heavy damage from an earthquake two weeks ago.

GUADALAJARA, Mexico, April 28.—(P)—Five small buildings in the business section of this second largest Mexican city collapsed Monday during a heavy earthquake. There were no casualties.

## Call Board

ELSONORE  
Today—Charlie Chaplin, Jack Oakie, Paulette Goddard in "The Great Dictator." Alan Mowbray, Donald McBride in "Footlight Fever."

Friday—Bing Crosby, Bob Hope, Dorothy Lamour in "In the Line of Duty." Kent Taylor, Wendy Barrie in "Repeat at Leisure."

GRAND  
Today—Nancy Kelly, John Loder, Edmund Gwenn in "Second Chorus." George Wednesday—Lloyd Nolan, Marjorie Weaver in "Michael Shayne, Private Detective."

Saturday—Cary Grant, Irene Dunne in "Penny Serenade."

CAPITOL  
Today—Joan Blondell, Dick Powell in "Model Wife." Jack Holt in "The Great Swindle."

Wednesday—George Raft, Henry Fonda, Dorothy Lamour in "Spawns of the North." Jack Benny, Rochester, Joan Bennett in "Artists and Models Abroad."

Saturday—Richard Arlen, Andy Devine in "Mutiny in the Arctic." Bill Boyd in "Border Vigilante."

STATE  
Today—Gary Cooper, Madeleine Carroll, Paulette Goddard in "Northwest Mounted Police." Eve Arden, Roger Pryor in "She Couldn't Say No."

Thursday—Fred Astaire, Paulette Goddard in "Second Chorus." George Brent, Lee Partin in "South of Suez." Saturday midnight—Sabu, Conrad Veidt, June Duprez in "Thief of Baghdad."

LIBERTY  
Today—Erol Flynn, Miriam Hopkins in "Virginia City." Wayne Morris, Rosemary Lane in "An Angel From Texas."

Wednesday—Priscilla Lane, Thomas Mitchell in "Three Cheers for the Irish." May Robson in "Granny Get Your Gun."

Friday—James Cagney, Pat O'Brien, Ann Sheridan in "Torrid Zone." Tex Ritter in "Rainbow Over the Range."

HOLLYWOOD  
Today—Bing Crosby, Mary Martin in "Rhythm on the River." Ralph Bellamy, Margaret Lindsay in "Meet the Wildcat."

Thursday—Franchot Tone, Warren William, Brod Crawford, Andy Devine, Peggy Moran in "Trail of the Vigilantes." Weaver brothers and Elvira in "Friendly Neighbors."

**LIBERTY**

Last Times Today  
Erral FLYNN  
Miriam HOPKINS  
"VIRGINIA CITY"  
Plus  
"An Angel From Texas"  
with  
Wayne Morris

## German Armies Await Orders

Route of British Near  
Completion; Several  
Courses Open to Nazis

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has occupied strategic islands just off Turkey's Dardanelles, and now has naval forces operating in the sea.

This latter revelation came as the Germans claimed British shipping losses off Greece exceeded by 25,000 tons those suffered in the Dunkerque disaster. A year ago, Germany said a total of 287,000 tons had been sunk in 11 days, including a British cruiser, and that 400,000 tons had been damaged.

Australian Army Minister Percy Spender said some troops had been removed successfully from Greece, but indicated considerable heavy material losses were expected. Presumably the troops were being evacuated to the Greek island of Crete or Egypt.

The Germans said their bombers raked the withdrawing allied troops and that Nazi ground forces also were in pursuit across the rugged Peloponnese after a surprise parachute attack had captured the Isthmus of Corinth west of Athens and 900 British soldiers.

Off the western Greek coast Italian troops occupied the island of Corfu at the entrance to the Adriatic sea, Rome announced.

In north Africa the British said an axis drive eastward near Salum, Egypt, again had faltered, and said axis forces had suffered another setback with the fall of Dessie, Italian-Ethiopian stronghold, 140 miles northeast of Addis Ababa.

British troops were said to have entered Dessie Sunday after a few hours heavy fighting at Kombochia pass, 14 miles south of the plateau city. The Italian high command in Rome admitted that its troops had evacuated Dessie.

Two other major centers of Italian resistance remain—Gondar, 250 miles northwest of Addis Ababa, and Jimma, 160 miles southwest of Addis Ababa.

Elsewhere on the African front the British continued to hold Tobruk, Libyan defense point menacing axis army lines extending on the east toward Salum, and British airmen in an attack on Benina, an airbase 10 miles east of Bengasi, were said to have destroyed a German troop transport plane and damaged others as soldiers were embarking.

Despite constant air attacks the British have held on to Malta in the Mediterranean and presumably the British and Greeks intend to try to hold at all costs the island of Crete where the Greek government had set up quarters after fleeing Athens.

Greek Premier Emmanuel Tsouderos declared in Crete late Monday that "destiny has chosen two islands as the last but worthy ramparts of the free peoples of Europe: the great island of Britain and this great island of the Hellenes."

Steady British conquest of Italian East Africa and bolder daylight air attacks by the RAF against Germany helped somewhat to console the Britons for the debacle in Greece.

BERLIN, April 29.—(Tuesday)—The Greek island of Crete, new seat of the government which fled from Athens, apparently will be the next objective of the German army after the mopping-up campaign on the Greek mainland and in the Peloponnese is completed.

Adolf Hitler's newspaper, Völkischer Beobachter, answering British claims that the English fleet still would be able to dominate the southern exit of the Aegean sea from bases on Crete, lends weight to this belief.

Crete, in German hands, also would spell great danger to British strongholds in Egypt, such as Alexandria, Port Said and the Suez canal, it was pointed out. Military reports said that German troops, cooperating with the "reich's naval forces," occupied Greek islands of Samothrace, Lemnos and Thasos, but did not reveal whether German surface craft succeeded in entering the Mediterranean, or whether submarines played a part in the operations.

## Meat Strike in London

LONDON, April 28.—(P)—Distribution of meat for Greater London was tied up Monday by a strike of 2,500 employees at wholesale depots who protested against dismissal of 60 of their number when one depot was closed by raid damage.

## STATE

Gary Cooper  
Madeleine Carroll  
"Northwest Mounted Police"  
Time: 2:35 - 6:45 - 10:10  
—END HIT—  
Eve Arden  
Roger Pryor  
"She Couldn't Say No"  
Time: 1:15 - 4:40 - 9:10  
PLUS  
Mickey Mouse Cartoon

## Fritz Kreisler Still Remains Unconscious

NEW YORK, April 28.—(P)—Fritz Kreisler, the violinist, remained unconscious Monday night in Roosevelt hospital almost 60 hours after he was injured by a truck on Madison avenue.

Dr. Madison Brown said the 66-year-old musician was "still unconscious and serious." His skull was fractured.

## Strike Threat Seen Growing

Terms of Employers'  
Wage Offer Declared  
not Satisfactory

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union said were submitted in accordance with terms of a working agreement. The proposals would establish costwise work and dispatching rules.

ASTORIA, Ore., April 28.—(P)—Gillnetters and cannery workers concluded agreements Monday with fish packers that will permit opening of the Columbia river commercial fishing season Tuesday noon.

The cannery union agreed to begin work, but no contract was signed because of packers' refusal to accept a closed shop clause. Negotiations will continue.

Gillnetters accepted packers' price offers, but also will pursue negotiations on a demand that the CIO lower river union be given an exclusive bargaining contract.

SAN FRANCISCO, April 28.—(P)—An FBI stenographer testified at the Harry Bridges deportation hearing Monday that James O'Neill, unwilling government witness, had freely given statements to her last October which earlier in the day he denied ever having made.

## Iturbi Charms Audience Here

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numbers were "First Arabesque" by Debussy, "Sevilla" by Albanez and finally, the first performance of "Cradle Song" by Orqui.

This was the last in the winter series of concerts by the Salem Community Concert association. Credit goes to the association and school board for their part in the construction of a shell, which for the first time brought sound from the platform to the listening ears in the correct volume.

This shell will make it unnecessary to use the flat drop curtain just behind the artist, thus adding to the appearance and efficiency of the stage during solo performances.

## Pioneer of Linn County Dies

ALBANY — Charles Marsh, 86, member of a pioneer Linn county family, died at the Albany general hospital Thursday. Funeral services were held Monday from the Fortmiller Funeral home with Rev. Charles Wheelchel in charge. Burial was at Central cemetery.

Charles Marsh was born June 1, 1854, in Missouri and came from that state to California with his parents when quite small. In 1860 the family came to Oregon where the deceased had since made his home. He followed farming as an occupation but had been retired for many years. He was a member of the Evangelical church.

## Governor and Party To Inspect Camps

Governor Charles A. Sprague and Lieutenant Colonel Elmer V. Wootton, state selective service director, will spend Tuesday in Portland inspecting the new army air base and a number of national defense projects.

Included in the latter are the shipyards and defense schools.

**ELSONORE**  
Now - Two Top Features  
LAUGHS...  
that will be heard around the world!  
Charlie Chaplin  
The Great  
DICTATOR  
Companion Feature  
"FOOTLIGHT FEVER"  
Plus: Disney Cartoon  
No Advance in Prices