

For Women

Turn to The Statesman's women's page daily if you're interested in social and club news. There are tested recipes and food hints also.

The Oregon Statesman

FOUNDED 1854

Weather

Rain today. Showers followed by clearing Sunday. Max. temperature Friday 67, min. 50. Rain .06 inches. Southwest wind. Partly cloudy. River -1.3 feet.

NINETY-FIRST YEAR

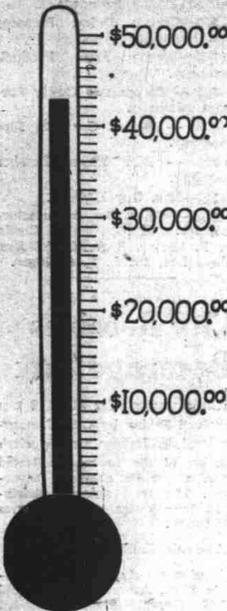
Salem, Oregon, Saturday Morning, October 11, 1941

Price 3c, Newsstands 5c

No. 170

Nazis Start Attempt To Surround Moscow

Upl Upl Upl!



Chest Drive Close to Goal

Sum now \$42,737.84 With \$7262 to Go for Year's Campaign

Short of the \$50,000 goal by \$7262, Salem Community Chest campaign workers held their last daily report luncheon on Friday but prepared to continue solicitation over the weekend and up to next Wednesday when another luncheon will be held. The total of \$42,737.84 was about 85.5 per cent of the desired amount, and nearly \$600 ahead of the amount obtained at the same stage in the 1940 campaign.

In view of the considerable number of persons not yet reached by solicitors, the campaign's progress is encouraging, Chairman Irl S. McSherry said. A feature of this year's campaign has been that every division has obtained at least 75 per cent of its quota. No division has reached the 100 per cent mark but the industrial division headed by Robert Shain sprouted on Friday to attain 91 per cent, moving into second place behind A. C. Haag's automotive division.

The day's reports included: Automotive, \$47, total \$3553. Contractors \$122, total \$1703. General gifts, \$110, total \$7104. Government and education \$143, total \$9263. (Turn to Page 2, Col. 8)

Odd Fellows Buy Bonds

Chemeketa lodge No. 1, IOOF, purchased Friday a \$5000 defense savings bond from Ladd and Bush branch of United States National bank for "investment and to do our part in the national defense program."

The lodge, "oldest Odd Fellows lodge west of the Mississippi," now has over \$11,000 invested in government savings, already having had nearly \$6500 in postal savings, Walter S. Lamkin, trustee, said.

US Air Corps Planning Use Of Uniformed Women Soon

NEW YORK, Oct. 10 (AP)—The army air corps disclosed Friday that it intended to summon a congress approved — a uniformed contingent of 25,000 to 40,000 American women volunteers to handle highly technical and secret work in the corps air raid interceptor command.

Lieut. Gen. Delos C. Emmons, commanding general of the force combat command, Bolling field, Washington, said the war department had already proposed congressional authorization of enlistments. He added he hoped congress would "put women in uniform" during the current session.

The idea of female contingents as independent adjuncts of the army could easily spread from the air corps to other branches of the service and ultimately bring into the nation's military additional contingents numbering upwards

US Okehs Panama Regime

Roosevelt Denies Reports Russia Might Capitulate

WASHINGTON, Oct. 10 (AP)—President Roosevelt announced in effect today that the new coup d'etat government of Panama had received the recognition of the United States and that diplomatic relations with that country would continue unchanged.

At the same time, in response to press conference questions, he said he had received no reports which would indicate that Russia was about to capitulate before the Nazi onslaught and seek an armistice. Neither, he said, had he any knowledge of how his letter to Joseph Stalin, pledging material assistance to Russia, had fallen into German hands, but, he added, he had a hunch.

In addition, he announced plans for broadening the usual celebration of Navy day, Oct. 27, into an observance of total Defense day. He said he would deliver an address that evening before a dinner of the Navy league.

While the president said only that diplomatic relations with Panama would continue unchanged, the general attitude here was one of satisfaction with the Panamanian change.

The former president of the republic, Arnaldo Arias, had been widely criticized as an opponent of democracy and a sympathizer with totalitarianism.

Arias left Panama for a visit to Havana, and in his absence the Panama cabinet elevated Ricardo Adolfo de la Guardia to the presidency, an action which Mr. Roosevelt said Friday was legally taken under the Panamanian constitution.

One of de la Guardia's first acts was to issue a statement which said that his government recognized Panama's treaties, and would vigorously support democratic principles. These he said (Turn to Page 2, Col. 5)

Salem Girl on Yearbook Staff

EUGENE, Oct. 10 (AP)—Wilbur C. Bishop, editor of the University of Oregon yearbook, Oregonian, has named his staff, including: Elsie Brownell, Grants Pass, assistant managing editor; Ruth Van Buskirk, Salem; Jeannette McGuire, Grants Pass; Jerry O'Callaghan, Klamath Falls, and Jean Friderger, Ashland.

Deer Hunters Marooned

LEWISTON, Idaho, Oct. 10 (AP)—Fifteen automobiles which carried deer hunters into the Selway region are isolated by snow 100 miles east of here but the hunters apparently are unconcerned, Pilot Bert Zimmerley said today.

Churchill to Speak

LONDON, Oct. 10 (AP)—Prime Minister Churchill is expected to make a statement on the war situation in Russia at the next sitting of commons, probably on Tuesday.

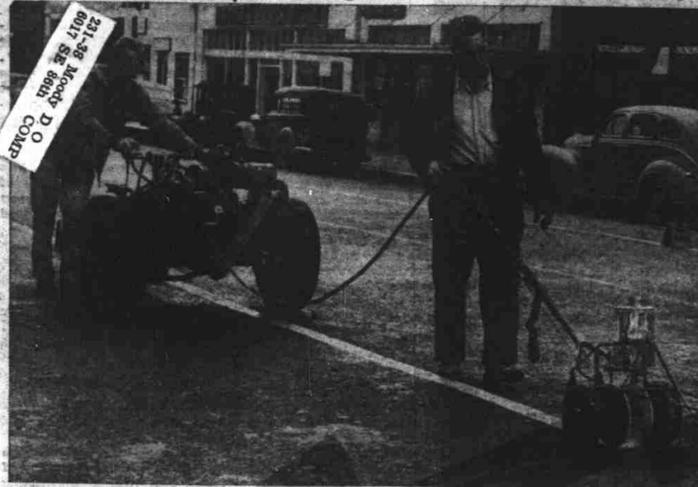
US Air Corps Planning Use Of Uniformed Women Soon

of 150,000 women, General Emmons said. Most of the air corps women, he said, would be "buck privates," but there would be women officers also. They would serve largely at information and filter centers for the aircraft warning service.

Women would not be enlisted, he said, unless war was declared or until "the emergency is such that it will be desirable." "But I can safely say that this war is getting closer to us all the time, and our exposure to air raids comes closer," he continued.

General Emmons discussed the proposal while inspecting New York headquarters of the air raid warning system, now engaged with other interceptor centers throughout the eastern seaboard in the second day of a week-long test of the system in 10 north-eastern states.

Streets Being "Striped" for Winter Safety



Developed largely by the city engineering department in spare time, this machinery speeds and eases the work of painting yellow lines on Salem streets. Only two men are required to operate the equipment as it rolls along the streets, and wet paint signs behind it. This picture was taken as the lines were painted Friday.—Statesman photo.

Survey Ordered by OPM On Industries in Salem

Probe Seeks Chart on Machinery and Labor Situation With Possibility Of Getting Defense Contracts

By KAY MORROW

What machinery is available here for defense work, how Salem industries have been affected by federal priorities, what the labor situation is—there are a few of the questions that will be asked in a survey to be conducted here for the Office of Production Management (OPM) through the local employment office of the unemployment compensation commission.

Court Fixes Tax Hearing

Multnomah Assessor to Tell Reason for not Obeying Board Order

The state supreme court announced late Friday afternoon that it had fixed next Wednesday, October 15, as the time for Tom Watson, Multnomah county assessor, to appear before it and show cause why he should not comply with a state tax commission order involving his 1941 property assessments. Argument of the commission's and Watson's contentions, however, may be delayed by the filing of a demurrer by the assessor to a writ of mandamus issued by the court at the behest of the tax officials. Watson is represented by John F. Logan, Portland attorney, and James R. Bain, Multnomah county district attorney.

Japs Demand Indo-China Rail Control

MANILA, Oct. 11 (Saturday)—Japan has demanded control of French Indo-China's state railroads, reliable reports from Saigon said today. This move followed demands that the Hanoi government hand over the collection of customs and postal censorship in the French Asiatic colony.

Navy Officer Confers Here On Vet Plan

LI. G. F. DeGrave, US navy, retired, conferred with local American Legion officials Friday in connection with the personnel procurement program being carried out on the request of Secretary of Navy Frank Knox.

DeGrave, who is in charge of recruiting for the Portland district, also paid his official quarterly inspection to the Salem station, which he declared is one of the finest in the state as far as enlistments are concerned. In charge here is Chief (Turn to Page 2, Col. 7)

Green Approves Deal

SEATTLE, Oct. 10 (AP)—President William Green of the American Federation of Labor said tonight that he had approved an intra AFL union agreement which union leaders said should enable the Pennsylvania Salt company to open its new Portland plant on Monday for national defense production.

Invasion Seen In New Troops

British Reveal Corps Trained for Possible Fight on Continent

LONDON, Saturday, Oct. 11 (AP)—Formation of a corps of shock troops whose rigorous and highly specialized training implies that they are primarily meant for an invasion of the continent was announced by the war office today.

The corps, called command units, is made up of picked men from every branch of the army who are trained both in amphibious warfare and to operate independently on land for long periods without assistance of supply and maintenance organizations.

Both officers and men are described as having steady sea legs for work on deep water and as being trained in handling small craft. They have had practice in rapid embarkation and disembarkation by day and night in all sorts of weather.

Most of the small-craft training was carried out with assault (Turn to Page 2, Col. 7)

Daily Worker Raps Strikes

NEW YORK, Oct. 10 (AP)—In an editorial entitled "Every Factory Part of Battlefront Against Hitler," the Daily Worker Friday, in effect, called for an end to strikes.

The paper, former official organ of the American communist party and still a mirror of official party views, said: "Labor should find ways to deal with employers who seek to exploit them to make exorbitant profits and to refuse labor its rights—but to deal with these employers in such a manner as will not weaken the defense effort."

Bidding Slow At Wool Sale

PORTLAND, Ore., Oct. 10 (AP)—Bidding was slow on 1,000,000 pounds of wool offered at the opening of the annual two-day Pacific northwest wool sale Friday.

Prices were several cents above the current wool market level, but only 25 lots, aggregating 306,750 pounds, were sold.

US to Fence Grand Coulee

GRAND COULEE, Oct. 10 (AP)—The government will build a fence around part of Grand Coulee dam as a protection against sabotage during the national emergency, the bureau of reclamation announced Friday.

In addition, the announcement said, the 4,300-foot bridge being constructed atop the dam will be closed to the public until the end of the emergency.

Plane Strike Averted

SAN DIEGO, Calif., Oct. 10 (AP)—The threat of a strike at the huge bomber plants of the Consolidated Aircraft Corp. ended Friday as AFL machinists voted to accept a compromise wage proposal providing an estimated \$600,000 in retroactive wage raises.

Lend Bill Gets Okeh Of House

Attempts to Cut, Block Russ Aid Meet Defeat

WASHINGTON, Oct. 10 (AP)—President Roosevelt's request for \$5,985,000,000 to continue the lend-lease program of aiding countries fighting the axis was passed overwhelmingly by the house Friday and sent to the senate. The vote on final passage was 528 to 67.

With the democrats in full command, the members rejected every attempt to reduce the amount of the appropriation and easily defeated a republican-sponsored proposal to deny to Russia any benefits under the program.

Voting in favor of the bill on the final rollcall were 230 democrats, 96 republicans, one American laborite and one farmer-laborite. Opposed were eight democrats, 56 republicans and three progressives.

The bill would provide the money for virtually all types of war materials—\$655,000,000 for aircraft, \$385,000,000 for tanks and other armored equipment, \$850,000,000 for ships, \$1,190,000,000 for ordnance and supplies, \$1,875,000,000 for agricultural and industrial products, and scores of other essentials.

Sponsors of the appropriation asserted that even though only a small part of the first \$7,000,000,000 lend-lease appropriation actually has been spent, it was virtually all obligated and conditions (Turn to Page 2, Col. 4)

Tanks Plant Strike Seen

Union Row Threatens Production; Labor Secretary Speaks

By The Associated Press An AFL-CIO dispute which is threatening to halt virtually all production of army tanks was reported Friday by war department officials.

Expressing grave concern, they said this was the situation:

The Spicer Manufacturing company of Toledo makes about 70 per cent of the transmissions for current tank output and for most of the half-tractor and "jeep" combat vehicles. In turn, it depends upon a subsidiary, the Hillsdale (Mich.) Steel Products company, for parts.

Spicer, with 2200 employees, has a contract with the CIO United Automobile Workers. Among Hillsdale's 800 employees are some members of this union, but the AFL United Automobile Workers recently won a collective bargaining election there.

Last week, fighting between AFL and CIO factions at Hillsdale led to closing the plant, but it has since reopened and is operating with virtually a full force. CIO employees at Spicer, however, (Turn to Page 2, Col. 2)

Blitz Chief



Field Marshal General Fedor von Bock (above) commands the German armies reported by Berlin to have encircled several Russian armies in the Vyazma area, 125 miles west of Moscow.

British Secret Mail Sabotaged

FBI Agent Tells Spy Boast of Opening Pouches at Lisbon

NEW YORK, Oct. 10 (AP)—A slender, scholarly FBI agent Friday quoted a suspected German spy as having boasted that British diplomatic pouches were opened by a German agent in Lisbon, their contents photographed and the pictures flown to Berlin.

The agent, William Friedman, linguist, lawyer, statistician and student of agriculture and criminology, said the boasts were made by Erich Strunck, steward on the American liner Siboney and one of 15 defendants charged with espionage conspiracy.

Thousands of feet of silent film were made by an FBI camera placed from four to six feet from Strunck and others who met about a dozen times between January 3, 1941, and June 28, when the ring was rounded up. (Turn to Page 2, Col. 6)

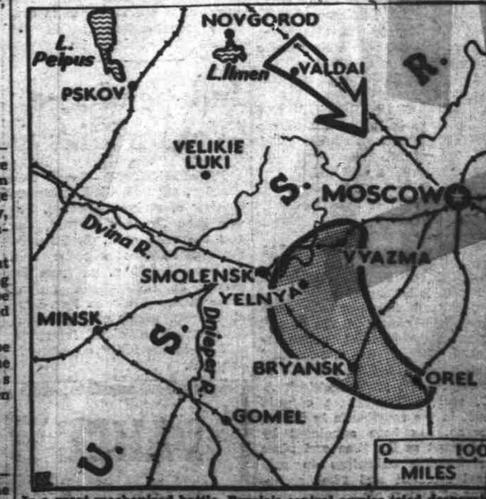
Ruhr Valley Bombed

LONDON, Saturday, Oct. 11 (AP)—British air raiders attacked targets in the Ruhr valley in Germany during Friday night, authoritative sources announced today.

German Warships Hit

STOCKHOLM, Oct. 10 (AP)—British planes hit several German warships in an hour-long attack off Alesund, on the southwest coast of Norway, Stockholm newspaper reported Friday night in dispatches from Norway.

Where Great Battle Rages



In a great mechanized battle, Russia's central armies tried desperately to stem German advances on Moscow. Soviet armies withdrew from the important railway town of Orel. Nazis encircled Moscow with two major salients, one operating from the vicinity of Vyazma, the other through Bryansk and to Orel. The Germans claimed that a solid front had trapped several red armies and "thoroughly shattered" Moscow's outer defenses. Previous reports have indicated a possible German move (white arrow) from the Leningrad area.

YOUR INCOME TAX

Figured your new federal income tax yet? The tax with the big surcharge feature and reduced exemptions that will pour money from several million new taxpayers into Uncle Sam's treasury? How the new taxes will affect your pocketbook, how they may be computed and reported under the optional systems provided for the first time in the recently-enacted tax bill, how you can determine your surtax and your normal tax, will be outlined in an authoritative article on The Statesman Sunday feature page tomorrow by Joseph H. Short, writer for The Statesman special news service.

Then, to help you forget taxes, you'll find on the same entertaining page the story of how an eastern professor of marketing's wife is a Salem woman—has put his teachings into practice at Newport; Eilan Grant's column and Lillie L. Madson's timely advice to gardeners, and other features.