

You Pay  
Income taxes will be due soon. If you are in doubt about your federal tax, turn to The Statesman editorial page.

Weather  
Forecast, temperature, rainfall and river reports withheld by request of western defense command, US army.

FOUNDED 1854

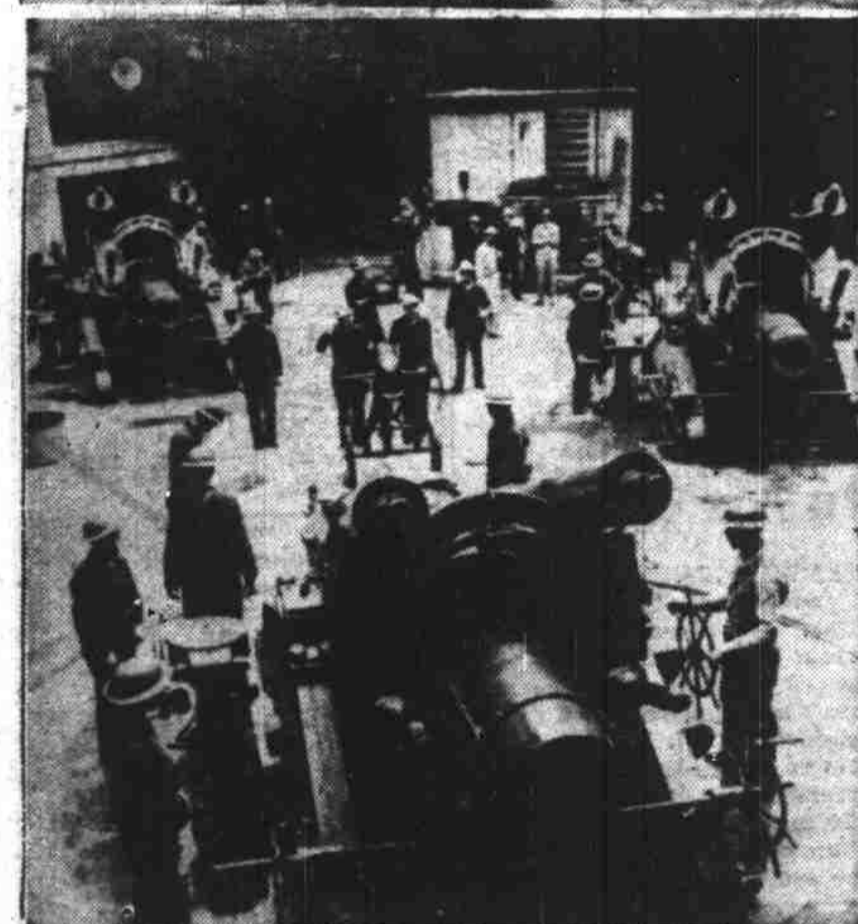
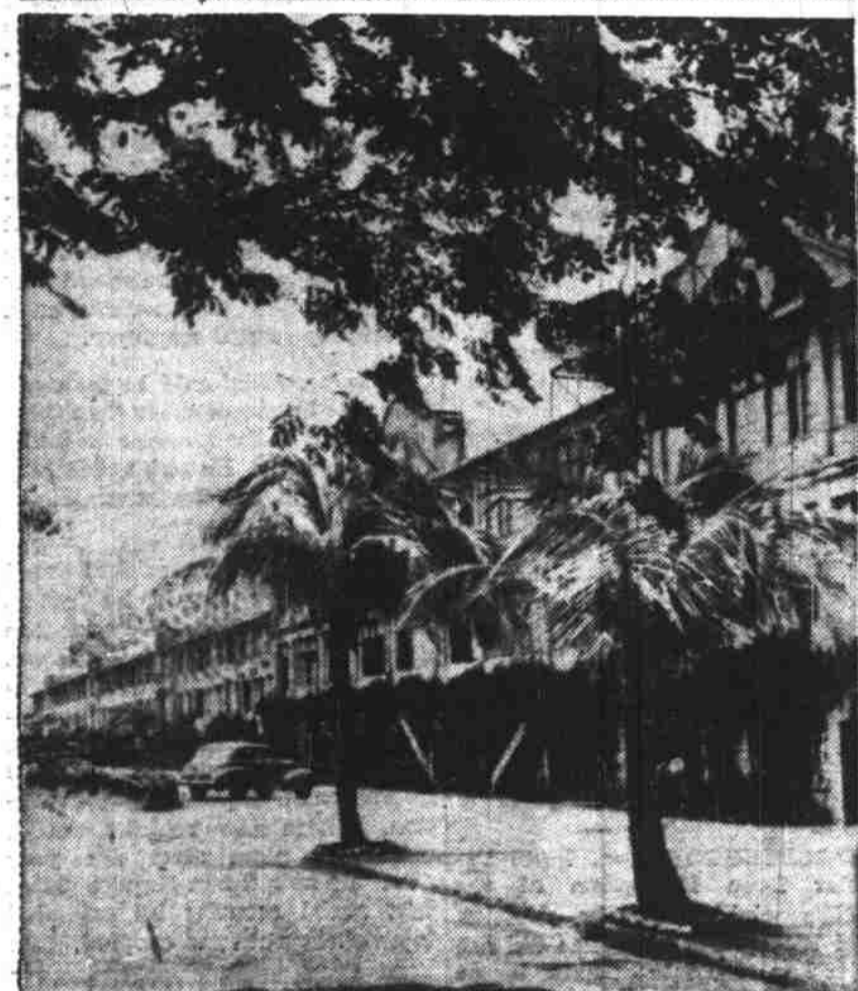
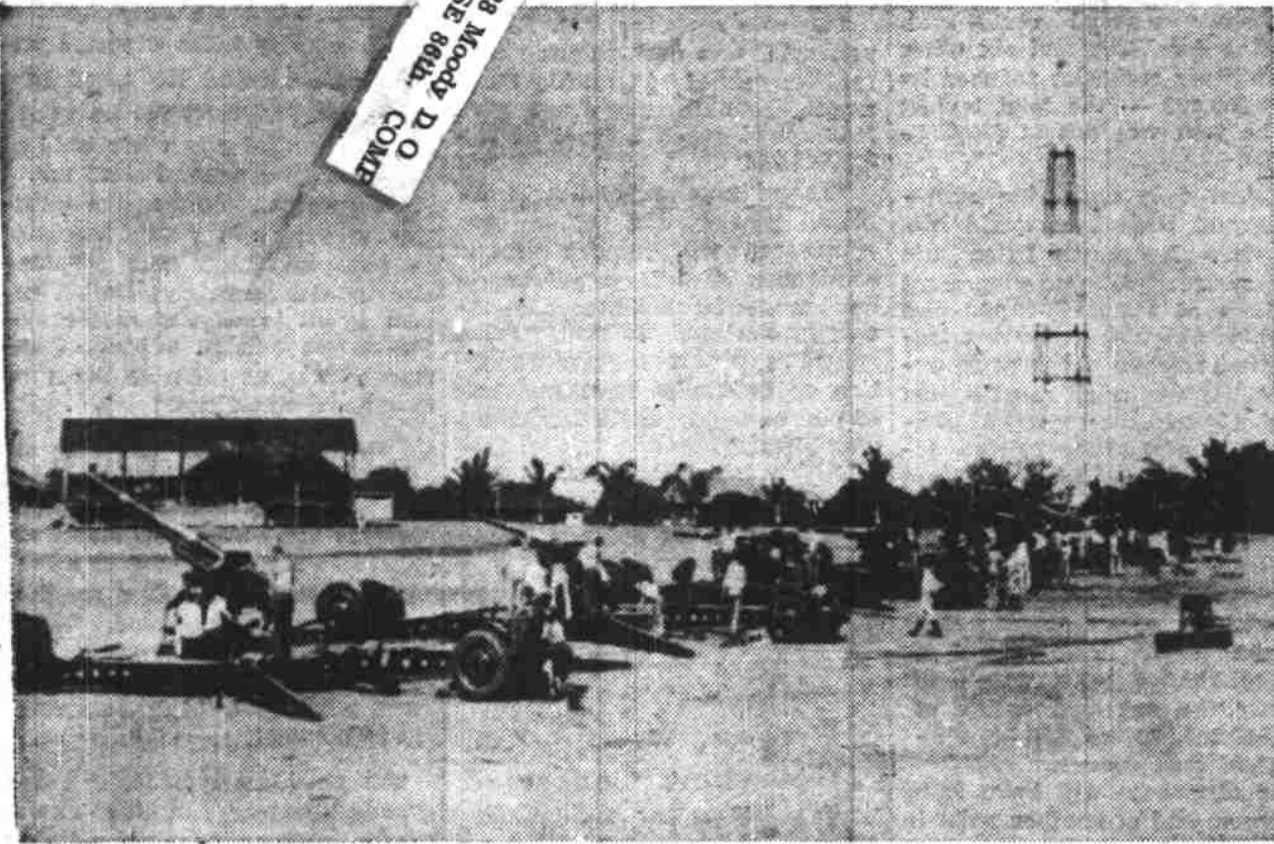
NINETY-FIRST YEAR

Salem, Oregon, Thursday Morning, January 8, 1942

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## Scenes on Evacuated Corregidor Island



A line of ten three-inch anti-aircraft guns is only a part of the defenses for the island fortress of Corregidor at the entrance to Manila bay. The Japanese must dispose of Corregidor before they can bring any ships into Manila harbor. These guns have seen considerable action. On January 5 the garrison of Corregidor shot down four more Japanese bombers in beating off the third successive air attack on the fortress, bringing the toll to 15. Fifty-two bombers took part in the attack on Corregidor. Huge 12-inch mortar guns manned by coast artillery gunners are pictured above. Also shown are Corregidor's barracks, among the largest in the world.

## Salem Power Lines Fail

### Involuntary Blackout Follows Breaking of Trees; Roads Unsafe

Salem was involuntarily blacked out Wednesday night after trees and branches fell across power lines in countless places. Communications within and from the city were largely out of order all day. First injuries in two days were reported.

According to Associated Press dispatch, "The second interceptor command permitted the Portland weather bureau to make this weather forecast for the Portland area Wednesday night and Thursday:

"Intermittent freezing, sleet tonight; sleet becoming rain tomorrow."

In case conditions are not improved this morning from Wednesday, Salem public schools will not convene today, Supt. Frank B. Bennett said. Schools in a number of surrounding towns were closed Wednesday.

Residential areas suffered most heavily from downed trees.

## Goodbye, Weather

Newspapers in the west coast theatre of war were requested by the western defense command Wednesday to omit weather news of any nature other than official weather bureau warnings of impending dangerous conditions.

## FR Picks New Turkey Envoy

### Steinhardt Quits Russ Post to Tackle Vital Diplomatic Mission

WASHINGTON, Jan. 7-(AP)—Laurence A. Steinhardt, a shrewd New York lawyer who became a diplomat about the same time Adolf Hitler became Germany's dictator and went to Moscow as United States ambassador shortly before Hitler invaded Poland, was President Roosevelt's choice Wednesday for the vitally important post of American ambassador to Turkey.

Steinhardt's nomination was sent to the senate simultaneously with an announcement by the state department that the present ambassador to Turkey, John Van Antwerp MacMurray, had resigned to take over an undisclosed assignment in Washington.

Who will succeed Steinhardt as ambassador to Soviet Russia was not disclosed, but informed sources mentioned the name of Major General James H. Burn of the army and navy munitions board. Burns has lately been in charge of lend-lease supplies to Russia.

Ambassador Steinhardt came home to report to President Roosevelt shortly before the arrival here of the new soviet ambassador, Maxim Litvinov, about a month ago. Ambassador MacMurray is in the United States on leave.

Steinhardt was appointed ambassador to Soviet Russia in the spring of 1939 and arrived in Moscow during the critical summer (Turn to Page 2, Col. 5)

## Japs Told of 'Suicide'

WASHINGTON, Jan. 7-(AP)—Senator Thomas (D-Utah) told the Japanese by short wave radio Wednesday night that the Tokyo war lords had "committed the most colossal suicidal act in the history of nations" by ordering the sneak attack on Pearl Harbor one month ago Thursday.

# FDR Asks Huge War Chest

## Axis Forces Take Beatings; Luzon Holds

# Nation Facing New Taxes

## 'No Gain' Reported In Malaya

### Jap Radio Says Sea Fight on in Western Pacific

By The Associated Press

The American Philippine army beat back steadfastly Wednesday on Luzon against strong and rising Japanese pressure, while the British apparently held the invader to no gain in the most critical sector above Singapore.

On the oldest and greatest front of all, in Russia, Hitler's present or imminent disaster had spread the whole length of the battleline; it seemed beyond question that his gray and shivering columns were being beaten down north, south and center.

The German army of the Crimea was threatened with entrapment. The far northern German-Finnish wing was swaying under the shock of a major soviet offensive which was by the available accounts the strongest yet undertaken there. The great red push at the center west and below Moscow was rolling on. An upper Ukrainian soviet offensive was striking out for the vital Donets river city of Kharkov.

And in the Mediterranean one more possible source of aid to the gasping survivors of the axis Libyan armies had been smashed by the royal air force in one of the most spectacularly successful air raids since the war began.

This was an assault upon Castel Vetrano airdrome in Italian Sicily in which 44 axis planes were destroyed with the loss of a single British craft.

It occurred on Sunday but only Wednesday did the details emerge, and the official British announcement was coupled with unofficial information from London that the real point of the whole thing was (Turn to Page 2, Col. 1)

## Enemy Radio Believed on West Coast

SEATTLE, Jan. 7-(AP)—The federal communications commission has reported the possibility of unknown radio stations sending messages to the enemy and is maintaining a strict monitor system in Alaska as well as in the United States, the 13th naval district commandant revealed Wednesday in a statement on conditions in the Pacific north naval coastal frontier.

"Location of such possible stations are being withheld from publication," the statement said. The official bulletin said that (Turn to Page 2, Col. 4)

## British Raid Norse Coast

LONDON, Jan. 7-(AP)—A team of British ships and planes raided Hellesfjord on the Norwegian west coast between Bergen and Trondheim Tuesday, while British bombers pounded at targets in Germany, occupied France and the Netherlands coast.

A joint naval and RAF communique described the Hellesfjord foray, the purpose of which was to intercept enemy shipping. Three British bombers were missing from attacks in the last 24 hours on Brest and Cherbourg in France, and German shipping off the Netherlands and Norway.

## 'Cantonment At Medford Is Ordered

WASHINGTON, Jan. 7-(AP)—A military cantonment will be started immediately at Medford, Ore., the war department announced Wednesday.

The announcement was not amplified and the department withheld all details and estimates of cost, construction time and other phases of the work.

The proposed cantonment in the Corvallis-Albany area was not mentioned.

## Power Plans Worked out

### Oregon, Washington Governors Confer On War Program

PORTLAND, Jan. 7-(AP)—Co-ordinated planning by Oregon and Washington to develop power and industrial resources for war-time production and peace-time economy was announced by Paul J. Raver, Bonneville administrator.

The planning follows a conference at Olympia between Gov. Arthur E. Langlie of Washington, Gov. Charles A. Sprague of Oregon, and Raver, and will be carried out by David Eccles, Oregon state budget director, Pat Hetherington of Gov. Langlie's staff, and Ivan Bloch, chief of Bonneville's market development staff.

Raver said the planning would permit the two states to develop their resources in such a way as to give full production in the war effort and to be in a position for transition to a stable economy after the war.

Pointing to the increased need for aluminum and steel under President Roosevelt's war production plan, Raver said that hydroelectric power was a vital factor and that nowhere else in the country could it be made available so rapidly.

By the end of fiscal 1943, the Bonneville administration will be producing about 400,000 kilowatts in excess of present contracts, he said.

The power supply is now adequate to permit immediate establishment of new plants for fabrication of aluminum. He added that engineers for two years have been studying the feasibility of an integrated iron and steel industry, which could use Columbia river power, and believe it to be a feasible plan.

Establishment of fabricating plants would not only speed production by lessening shipping delays, but would place the Pacific (Turn to Page 2, Col. 7)

## Carol Would Lead Program

MEXICO CITY, Jan. 7-(AP)—Exiled King Carol of Rumania, denying he ever abdicated but only delegated his royal powers, announced Wednesday he had placed himself at the head of a "free Rumania" movement and would go soon to the United States. Carol, whose action had been (Turn to Page 2, Col. 4)

## Safety Steps Advocated

Warn your children to stay away from trees. Feed the birds. These two bits of advice were contributed by a Statesman reader on Wednesday with the suggestion that they be published and the suggestion was quickly accepted.

Limps were falling from trees all day Wednesday—occasionally the entire upper portion of a tree, trunk and all, would come down. They break loose and fall too quickly for anyone beneath to take warning and flee.

The admonition to "feed the birds" is common in the east and middle west in winter but is seldom needed here and therefore likely to be overlooked. Under such conditions as prevailed Wednesday, birds are unable to find any sort of food unless it is provided by humans.

## 9 Billions Extra In '43 Asked

WASHINGTON, Jan. 7—(AP)—President Roosevelt today requested \$9,000,000,000 in new taxes from the American people next year on top of \$17,852,000,000 estimated to be provided by present levies and started congressmen who will have to draft the necessary legislation promptly promised to do their best to get it.

Chairman Doughton (D-NC) of the house ways and means committee, which originates tax measures, said that it was impossible immediately to tell how that much new revenue could be obtained but remarked:

"We will raise all the money we can without, of course, turning the tree up by its roots."

Mr. Roosevelt told a press conference that his request for new taxes was based on the double question of how much could theoretically be raised and how much the country could stand.

In addition to taxes, he looked to the people to lend the government more than \$33,000,000,000 during the year, especially through purchases of defense savings bonds.

The president laid down only two rules which he hoped center (Turn to Page 2, Col. 8)

## Raid Action Demonstrated

### Salem Wardens Learn Emergency Methods Of Control Center

More than 500 air raid wardens, largely from the city of Salem, witnessed and participated in a demonstration of control center methods to be employed in event of an attack at a session marked by flickering lights in Salem high school auditorium Wednesday night.

A series of hypothetical cases, presented by Ed Colby, county liaison officer and official defense council representative at recent instruction classes in Portland, provided wardens with background for their calls to an equally hypothetical control center.

Notified of "attacks" under varying conditions in specified areas of the city, J. H. Davis, city air raid warden supervisor, called upon Dr. Ralph Purvine, E. C. Charlton, Harry Hutton and Carl Gunther for rapid reports as to the action they would require from medical emergency services, police reserves, firemen and utility workers.

Until telephones have definitely been connected in the control center (Turn to Page 2, Col. 3)

## Congress Girds To Speed Bills For Great Sums

### Largest Budget in History of World Submitted to Finance Finish Fight With Axis

WASHINGTON, Jan. 7—(AP)—President Roosevelt asked an eagerly willing congress Wednesday to provide a \$56,000,000,000 war chest for the 12 months beginning next July with a \$9,000,000,000 increase in taxes that unquestionably will alter American ways of living for the duration.

But, said the chief executive, submitting his annual budget message, "we are determined to pay whatever price we must to preserve our way of life," and "until this job is done, until this war is won, we will not talk of burdens."

It was, he said, "the budget of a nation at war in a world at war" and in practical terms would meet "the challenge of the axis powers." In it and the appropriations to be made under it, are the funds which will build the clouds of airplanes that are scheduled to come off the assembly lines during the fiscal year 1943, the tens of thousands of tanks and guns and millions of tons of shipping—the weapons that will beat the axis.

## US Budget In Brief

WASHINGTON, Jan. 7-(AP)—Here are listed in round figures the billions this country proposes to spend during the fiscal year beginning next July—the biggest budget in the history of the world:

Fifty-six billions for war, including two or three billions from non-budgetary government agencies such as the RFC.

Four and one-fourth billions for normal government costs, relief, farm aid, etc.

One and three-fourths billions for interest on the public debt.

And here is the method of payment:

Sixteen and one-half billions from existing tax laws.

Seven billions in new general taxes.

Two billions in new social security taxes.

Thirty-five billions from treasury borrowing, plus additional borrowing by government non-budgetary agencies.

All of which means that: Spending will jump from the present two to five billions a month.

The World war spending peak—18 1/2 billions—will be passed this year and almost tripled during the next fiscal year.

The public debt, after borrowing, will be 110 billions.

And finally: All these items comprise what Americans already are calling a "victory budget."

## Farmer's Fund Slash Booked

WASHINGTON, Jan. 7-(AP)—President Roosevelt's proposal to slash about a third of a billion dollars from federal outlays for farmers' non-lentative acceptance Wednesday from farm-minded members of congress.

Leaders of the potent senate farm bloc said they agreed with the president that higher market prices of agricultural products should reduce treasury expenditures for farm aid but they said that every proposed reduction would be studied.

## Time Bill Approved

WASHINGTON, Jan. 7-(AP)—Legislation to set clocks ahead throughout the nation won senate approval Wednesday and was reported in different form by the house interstate commerce committee.

## Former Salem Man Believed Wreck Victim

PORTLAND, Ore., Jan. 7-(AP)—Sheriff's deputies feared Wednesday that F. L. Odum, 50, Oregon City, lost his life Tuesday in the plunge of an automobile 50 feet into the Sandy river near Troutdale.

Newman H. Cherry, 49, Milwaukie, was rescued from the submerged car by Charles W. Post, 22, Troutdale, who witnessed the accident and held the injured man's head above water until help arrived.

From his hospital bed here, Cherry said that Odum, of whom no trace was found, was driving the car.

F. L. Odum is a former Salem building contractor, friends here disclosed Wednesday.

## Finns Deny Peace Move

HELSINKI, Jan. 7-(AP)—Official Finnish spokesmen denied Wednesday widespread rumors that Finland is ready to quit the war with Russia.

Questioned as to an editorial in a Helsinki newspaper last Sunday suggesting that Finland's strategic goal had been reached, these spokesmen said, however, that it was not possible at present to make any official pronouncement on the correctness of this intimation.

## State Cigarette Tax Goes Into Effect; Suit Seen

While Oregon merchants inventoried cigarette stocks Wednesday night preparing for the new tenth-of-a-cent-per-smoke state tax effective at 12:01 this morning, plans for a suit attacking the tax were in the making, according to Oswald West, Portland attorney.

West declined to identify those interested in a meeting allegedly slated for today to further the move in opposition other than as "local tobacco dealers."

A flood of applications for the \$1 merchant's license fee were received at the state tax commission Wednesday. Officials there pointed out that, while stamps and metering machines may not arrive in Salem until after February 1, the tax would go into effect today.

Between 15,000 and 18,000 dealers in Oregon, including wholesalers, jobbers and retailers, will qualify under the law and \$1,200,000 will be raised during first (Turn to Page 2, Col. 2)

## Bandit Returns Loot

SCHENECTADY, N.Y., Jan. 7-(AP)—Three hours after taking \$40 from a drugstore cash register at gunpoint, a young bandit returned the money to the astonished proprietor with the remark: "I am awfully sorry."

## Smokers Rush Stores Before Tax Deadline

Cigarette users of Marion county stocked up Wednesday on the eve of a rise in price occasioned by the new state tax, retailers and wholesalers of tobacco said in Salem.

Consumers who ordinarily buy a supply sufficient for a week or two bought enough to last two or three months; persons accustomed to buying a package at a time invested in a half carton or a carton, and wholesalers and jobbers were rushed to fill last-minute orders from retailers resulting from the increased demand.

The tax, a tenth of a cent on each cigarette no matter what the retail price, will amount to 3 cents per pack of 20, or 5 cents for the box or tin of 50 cigarettes.