

Movie Goers

"What motion picture shall we see tonight?" The Callboard, a daily feature in The Statesman, answers that question for movie fans.

Weather

Forecasts withheld and other data delayed by army request. Monday: Max. Temp. 34, Min. 24.

Nelson To Rule Over Industry

Surprise Move of President Halts Capital Furore

WASHINGTON, Jan. 13 (AP)—President Roosevelt created a one-man control over America's vast war production effort tonight with all power concentrated in Donald M. Nelson, as a sort of generalissimo of supply. The surprise announcement was given out at the White House about two hours before Wendell L. Willkie, republican presidential nominee in 1940, was to go on the air with a demand that one-man control be set up to end "debating society" methods.

An advance text of the Willkie speech had been distributed in Washington early in the day, and Willkie himself had conferred at the White House this forenoon. In actually delivering his speech Tuesday night, Willkie deleted the demand for the one-man setup in view of Mr. Roosevelt's action. Under the president's plan, still incomplete, a new war production board will be established, and Nelson made its chairman. Nelson has been serving as executive director of the supply priorities and allocations board. Members of SPAB, comprising some of the highest officials of the government, will serve on the new board—under Nelson.

The big bluff pipe-smoking Nelson who came into the defense program as its purchasing agent months ago and has stepped constantly into more responsible positions, will have the power of final decision on all questions of procurement and production. As such, he will be the big boss, the war-time czar, empowered to tell American industry what to do, and to expect its ready compliance. His only (Turn to Page 2, Col. 4)

Station Fire Destroys Car And Building

Fire destroyed an auto, one building and portions of two others at a service station at 1090 South 12th street early Tuesday afternoon before extinguished by the city fire department. Origin of the blaze was not determined, as no attendants were in the building at the time. Managed by Paul Fyock, the station was leased by the Gilmore Oil company from a Corvallis resident, according to George Jall, Salem branch manager of the company. The auto, left by Allison Floss for repairs, could not be removed in time from the lubrication shop, and both were lost. The station structure and rest rooms were partially burned. Fyock suffered first degree face and hand burns when he tried to save tools, and was given first aid. Equipment owned by the manager was estimated to have been destroyed to the extent of \$500.

Nazi Raider Attacks Hit English Towns

LONDON, Jan. 13 (AP)—Single German raiders diving out of the clouds in two daylight attacks killed ten persons and wrecked some business buildings Tuesday in a northeastern English coastal town. Those killed were in an ambulance post which suffered a direct hit. An east Anglian town also was the target of a light attack.

US Gunners Jar Japs Into Bad Defeat On Batan

British, Dutch Destroy Roads, Oil Before Invader

Troops Blast Malaya Route To Singapore

Jap Bases Bombed by RAF; Withdrawal of Defenders Lauded

SINGAPORE, Jan. 13 (AP)—Demolition squads of royal engineers carried out broad and destructive blasting operations in the path of the Japanese invader Tuesday, effectively easing pressure on British forces continuing their withdrawal along a line 150 miles above Singapore. News of the slowed Japanese progress came as Singapore itself shook with exploding bombs dropped by Japanese raiders. But the RAF itself had cascaded tons of bombs upon the Japanese base at Singora, in southern Thailand, during the night.

British airmen followed up this assault on Singora military establishment and railroad yards with a daylight raid upon Port Swettenham, Malaya west coast port some 25 miles south of fallen Kuala Lumpur, capital of the Federated Malay States. The raid was the first recognition that the Japanese had occupied Port Swettenham. Over Singapore, British fighter planes had a busy day chasing Japanese raiders coasting in under cover of low-hanging clouds. Singapore's people, who scarcely had been conscious Monday of raids in which 125 Japanese planes were engaged by fighters high in the clouds or at some distance from the city, were fully aware (Turn to Page 2, Col. 6)

Food Packers To Apply for Army Orders

Meat packing establishments, bakeries and other industries preparing or packing food which may find a market in army procurement offices are making arrangements to qualify as suppliers of victuals to uniformed men in this area, representatives indicated Tuesday. Stringent army regulations are not reflected in Salem's city ordinances nor are they likely to be, Mayor W. W. Chadwick said Tuesday night. "If they want the business they'll comply," he commented, declaring he believed the milk industry might find the regulations most difficult to meet. Degree of pasteurization or methods used, he understood, differed somewhat from army requirements. As a city, Salem demands that persons preparing and serving foods in restaurants have regular physical examinations, the mayor said, but has left other regulations to the state. Possibility that an ordinance might come out of the current activity was not denied by Chadwick, although he indicated there had been no request for one.

Mexico Holds German Staff

MEXICO CITY, Jan. 13 (AP)—German Minister Rudt von Colberg and other members of the German legation and consular staffs in Mexico City were confined Tuesday in a hotel outside Mexico City by order of the Mexican government. It was announced that the measure was in retaliation for similar treatment of Mexican diplomatic and consular authorities in Germany, who were reported interned in a hotel at Bad Nauheim. The government also announced it had ordered the Japanese minister and legation and consular staffs confined under custody in the Japanese legation building here.

Japs Strike Hard at Dutch East Indies



Japan is striking hard by land and air, presumably from their Philippine base at Davao (1) at the Netherlands East Indies. Tarakan, northeast coast of Dutch Borneo, was taken in two days, and the Minahassa area on the island of Celebes invaded. Washington reported United States army bombers scored a direct hit on an enemy battleship in the Gulf of Davao, and reported Gen. Douglas MacArthur's Philippine army have repulsed several Japanese attacks with heavy losses at (2). Tokyo broadcasts said fire swept Kuala Lumpur after its capture (3), Federated Malay states capital, under Japanese aerial bombardment, as Nipponese spearheads drove closer. Enemy planes reportedly bombed Moulmein (4), in British Burma.

Cigarette Tax Remains Europe Church Commission Declares

Only Court Restraining Order Will Halt Collection; Supreme Court Accepts Writ Seeking Referendum on State Levy

Oregon's tax commission will continue to collect the new state cigarette tax unless restrained by court order, its members announced Tuesday following the state supreme court's acceptance of jurisdiction in mandamus proceedings filed by the Oregon Retail Grocers' association.

Accepting jurisdiction in the proceedings designed to compel Secretary of State Earl Snell to refer Oregon's new cigarette tax law to voters at the November election, the court set January 23 as date for Snell's appearance before it to show cause why he should not certify the referendum.

The tax commission's statement was issued following conference with its attorneys and almost simultaneously with those from the grocers' association representatives indicating action would be filed in circuit court here shortly requesting that the commission be enjoined from collecting the tax pending the November election.

The association contends that Snell accepted its referendum petitions as adequate and that Attorney General I. H. Van Winkle's ruling that the association's statement of contributions and expenditures was not sufficient is without any bearing on the validity of the referendum.

The cigarette tax law was enacted by the 1941 legislature but collection of the tax was deferred by the state tax commission until last Thursday because of the referendum attack.

After Van Winkle ruled that the completed referendum petitions were invalid, because of the alleged faulty contributors' and expenditures' statement, collection of the tax was started.

The tax amounts to 1/10 of a cent per cigarette. Officials estimate the tax will raise \$1,200,000 the first year the law was in operation.

Five-sixths of the tax has been earmarked for old age assistance and one-sixth for vocational training.

Axis Troops Take Stand In Libya

CAIRO, Jan. 13 (AP)—The German desert army, in flight for 300 miles, took an unexpected stand Tuesday night at the base of the Gulf of Sirte on a line running due south of El Aghelia. Pursuing British vanguards made immediate contact with this main force of the enemy remaining in North Africa, at a point which still is more than 300 miles short of Tripoli, the main axis base. Far back, near the Egyptian (Turn to Page 2, Col. 5)

Russ Reveal Capture of More Towns

MOSCOW, Jan. 14 (Wednesday)—The Russians today announced recapture of Kirov in the Smolensk region and Gorokhovo, near Moshaisk, thus indicating the deepest westward penetration yet made in the red army's sustained counter-offensive against the Nazi invaders.

The Russian communiqué placed Kirov "in the Smolensk region," without elaboration, but soviet sources identified the town as a rail junction 100 miles southeast of Smolensk and 130 miles southwest of Moscow. It is midway between Bryansk and Vyazma, and its location on the east-west and north-south railroads indicated its importance in the Russian surge back to the west.

The communiqué said Gorokhovo was "near Moshaisk" but did not indicate the distance or direction. That region has been the scene of some of the bitterest fighting of recent days.

Malta Warned of Raids

VALETTA, Malta, Jan. 13 (AP)—Malta had nine air raid warnings in the past 24 hours. Two German planes were shot down Tuesday.

Pan Pacts Signed At Capital

Uruguay Given Aid; Conclave Opens Thursday

WASHINGTON, Jan. 13 (AP)—The United States signed her second accord within 24 hours with a Latin nation Tuesday as the opening of the Rio De Janeiro conference of foreign ministers neared and Argentina appeared to be the only one of the 21 American republics that would oppose a "solid front" rupture of diplomatic relations with axis powers.

Informed diplomatic and government sources saw the timing of the two accords as an attempt to lay before Argentina, at a crucial hour, a double example of hemispheric cooperation.

Uruguay, Argentina's across-the-river neighbor, signed a lend-lease agreement under which the United States will supply the South American republic with military and naval goods. It was reported that a loan of between \$17,000,000 and \$20,000,000 was involved.

Monday night, President Roosevelt announced that Mexico and the United States had signed a mutual defense pact.

Secretary Hull, asked if signing of the two accords had any connection with the opening of the Rio conference Thursday, said it was coincidental rather than having special connection.

He stressed that both agreements were predicated on mutual cooperation and hemispheric defense.

The two agreements were announced as reports came from Rio De Janeiro that all American republics, except Argentina, were ready to sever, in a joint declaration, all relations with Germany, Japan and Italy.

Argentina's reluctance to join such a declaration was regarded (Turn to Page 2, Col. 1)

Enemy Retreats With Severe Losses After Long Artillery Duel

Yank Losses Light, Reported By MacArthur; Corregidor Is Untouched by Dive Bombers

WASHINGTON, Jan. 13 (AP)—Weary, outnumbered and fighting with their backs to the sea, the forces of Gen. Douglas MacArthur have nevertheless administered a jarring setback to the Japanese invader. American artillery "definitely superior" to that of the Japanese did the job. As reported Tuesday by the war department, 24 hours of continuous fighting had shattered and dispersed columns of enemy tanks, and armored units.

It had scattered enemy infantry concentrations and inflicted heavy losses upon them. It had silenced even artillery batteries—probably 40 or more guns.

And it had forced Japanese artillery units to withdraw a considerable distance.

Tarakan Isle Taken by Japs

Small Garrison Fails Huge Invading Force By Blowing up Wells

BATAVIA, Netherlands East Indies, Jan. 13 (AP)—Tarakan off northeast Borneo has fallen to a Japanese assault of overwhelming power, but the one prize for which the invader paid so heavily in ships and planes and men—the island's oil—is still many a month out of his grasp, the Dutch announced Tuesday night.

Almost simultaneously with the disclosure of the NEI command that the small Tarakan garrison had been overrun by vastly superior forces and that only a tragic few of its men had reached the Borneo mainland alive, it was established that the Dutch had meant business when they warned the enemy that it would be easier to come for the island's riches than to take them away.

All oil wells and equipment (Turn to Page 2, Col. 1)

To Call Bids On New Camp At Medford

PORTLAND, Jan. 13 (AP)—Col. Cecil Moore said today that the US army engineers' office here probably would ask bids January 19 on construction of the entire army cantonment to be located near Medford.

The date is tentative, he said, as is February 9, mentioned for opening bids.

Details of construction including the number of employes, type of buildings and precise location were withheld.

OPM Extends Ban on New Car Sales

WASHINGTON, Jan. 13 (AP)—The office of production management Tuesday night extended until Feb. 2 the ban on sales of new passenger automobiles and trucks pending completion of details of the rationing program.

The original order halted sales through Jan. 15. Officials said details of the rationing program would be ironed out within a few days but that about two weeks would be required to get the administrative setup in operation.

Under the ban, all sales of 1942 model cars, trucks and truck trailers are prohibited except to the army or navy and certain government agencies.

Extension of the ban came as some 400 automobile dealers met with the house committee on small businesses to canvass their plight.

L. Clare Cargile of Texarkana, Tex., president of the national automobile dealers association, reported that government officials were working on a plan to alleviate their difficulties.

Olongapo, Claimed Captured by Japs

This is a view of the United States naval base at Olongapo, in the Philippines, with part of Subic bay showing. A Tokyo broadcast claimed the capture of this base on Luzon island north of Manila and boasted it was "capable of accommodating not only submarines, but also warships up to 12,000 tons." No confirmation of these claims has come from the United States navy.