

Roosevelt Signs Price Control Measure

Hits Farm Sections Of Bill

Warns Inflation Battle Not Won; Good Otherwise

WASHINGTON, Jan. 30 (AP)—President Roosevelt signed the price control bill Friday, but warned that its provisions on agricultural prices were inadequate to prevent an inflationary increase in living costs.

"Nothing could better serve the purposes of our enemies than that we should become the victims of inflation," the chief executive said in a formal statement which also asserted that the enactment of the bill did not mean that "the battle against inflation has been won."

On the whole, Mr. Roosevelt found the measure good, however. In view of the half year of congressional controversy that preceded its passage, he felt it was the best bill that could be had, and therefore affixed his signature.

The bill gives Leon Henderson, the price administrator, authority to fix maximum rents and maximum prices for a long list of commodities and articles used by civilians or needed for the war effort.

The basis of these maxima would be the price structure of early October, 1941, or the rent level of the period since April 1, 1941.

Exceptions are provided for farm and fishery prices. No (Turn to Page 2, Col. 5)

British Save Troops From Libya Rout

CAIRO, Jan. 30 (P)—The major part of the British forces covering Bengasi were reported Friday night to have been withdrawn safely from the area of that axis-occupied port after a fierce rearguard action against Field Marshal Gen. Erwin Rommel's sustained and powerful counter-thrust along the road of his previous retreat.

The great majority of the supply dumps established by the British eighth army after the city was taken on Christmas eve were blown up and such harbor works as had been repaired were again destroyed.

The rear-guard action was left to the seventh infantry brigade, and it was considered possible that some of these men had not been extricated before the Germans got astride the main coastal road north of Bengasi.

(In London, however, it was reported that all had been saved, and it was suggested some men might have been removed by sea.) Rommel's recapture of Bengasi, some 180 miles back from the farthest point of his initial retreat, was accomplished by two columns which struck in greatly superior force, the imperial British command announced during the day in Cairo.

USO Planning Rolling Halls Of Recreation

SAN FRANCISCO, Jan. 30 (P)—Recreation halls on wheels soon will be rolling up and down the Pacific coast to entertain isolated army and navy posts in California, Oregon and Washington, the United Service Organizations announced Friday. Each unit will be equipped with motion picture projector, screen and films. Portable desks and writing materials will be available for letter-writing. Kitchen and dining equipment will make coffee and sandwiches available. A public address system and library of records will offer music and books and magazines will be supplied readers.

Hitler Blames Cold Weather

Says Winter Not Russ Halted Drive; Lauds Nippon for Attack

BERLIN, (from German broadcasts)—Jan. 30 (P)—Adolf Hitler acknowledged to his people Friday that he could not promise an end to the war this year but declared that Japan's surprise attack upon the United States "has greatly relieved our situation."

Speaking for the first time since his declaration of war upon the United States, Hitler blamed the LONDON, Jan. 30 (P)—The Daily Mail reported Friday night in a dispatch from Madrid that Adolf Hitler had recalled all active divisions from France, Belgium and Holland to build up a reserve army for the Nazi spring campaign. Their places in the occupied zones have been taken over by garrison divisions of men over 40 and boys from 16 to 18, the newspaper said.

weather instead of the Russians for Nazi reverses on the eastern front and promised 1942 "will again be a year of great victories."

"Countries which have nothing to lose and everything to win or those who have everything to lose and nothing to gain."

"I do not know if the war will end this year, but one thing I do know: Whenever the enemy will come up against us he will be beaten."

Hitler congratulated Japan for the "way she followed our example and struck first" and added that "now Britain and the United States will need convoys on all oceans and they will see what our U-boats may achieve."

He declared Germany's number of submarines have been enormously increased and would be a big factor in the world-wide conflict.

Not the red army but 45-degree frost forced the German army to abandon the offensive on the eastern front, he asserted, claiming German lines now have been stabilized.

He dismissed the gains of the Russian counter-offensive as "advances of a few kilometers at some places, made at a cost of great amounts of materials and lives."

"But in a few weeks," he went on, "winter will break in the south and the ice will melt and (Turn to Page 2, Col. 6)

Ru Plan Nazi Fall This Year

Stalin Program Pointed to Oust Enemy Off Soil

MOSCOW, Jan. 30 (AP) In firm possession of the railway gate to both the Ukraine granary and the Donets coal basin, the red army was reported officially Friday night to have outflanked, out-knifed and encircled the German enemy in scores of sectors on a master Stalin plan of throwing the Germans from every acre of Russian soil in 1942.

Huge German forces were in danger of entrapment in the center, north and south of the active front. Prong-like soviet drives were aimed at many objectives, catching the nazis between the forks and leaving them the choice of being destroyed, captured or retreating with such speed that they lose much valued equipment.

In trying to pursue the latter course, the Germans met swift charges behind their lines by skilled Siberian ski troops which interrupted the best-laid nazi plans.

Tonight's communique said numerous additional populated (Turn to Page 2, Col. 1)

Raid Warning Given Okeh

Main Whistle to Be Installed at Heating Plant; Others Ready

Coincidence of an air raid whistle test and arrival over Salem of four airplanes caused many citizens Tuesday afternoon to wonder if "this is the real thing, an air raid."

It was not. Tested twice, the huge whistle, formerly mounted on a steamship, was declared satisfactory and disconnected from a boiler at the Valley Packing company preparatory to permanent installation at the state's central heating plant at 12th and Ferry streets. It is 12 inches in diameter and 36 inches long.

Another steamer whistle, set up at the paper mill, is to be changed to the siren or mocking bird type, similar to the one tested Tuesday. Four and possibly five other, smaller whistles of the same type, constructed at the A. B. McLaughlin company machine shop on Portland road, are to be located at the packing plant, the Miles linen mill, the state hospital, the City Ice works and, the fifth, at the Cherry City bakery.

The smaller steam whistles have a range of two to three miles. The larger one tested Tuesday was heard in the business district and at the state tuberculosis hospital.

Five of the ten special sirens ordered to blanket south Salem with warning signals have been shipped from an eastern supplier, Alderman L. F. LeGarie reported.

Japs Smashing Closer To Singapore; Curfew Ordered By Army Chief

Roosevelt Lauds America For Aid in Health Fight

Expresses Gratitude Over Radio to 12,000 Parties Held in Honor of 60th Birthday Anniversary; MacArthur's Message Told

WASHINGTON, Jan. 30 (P)—President Roosevelt told thousands celebrating his 60th birthday anniversary Friday night that the fact that America could look after the health of its people while engaged in the grim business of war meant that the United States definitely expected to win through to a sound peace.

Speaking by radio from the White House to about 12,000 parties held throughout the country to raise funds for combatting infantile paralysis, the president said he had been authorized by the trustees of the National Foundation for Infantile Paralysis to make a special announcement—that county chapters may give part of this year's funds to give special assistance to the children of soldiers, sailors and marines who may fall victim to the disease.

"That will be good news," he said, "and a well deserved boon to the fathers who are serving their flag on land and on sea in many parts of the world, and to the mothers who have been left at home to do their brave part—to carry on."

Mr. Roosevelt delivered his "thank you" for generous donations to the drive after an intimate birthday dinner with a group of close friends at the White House.

He had been made additionally happy, he said, by the fact that parties and celebrations were being held not only in this country but in many sister American republics.

The president found great significance in the fact that this year's campaign for funds to help crippled children had been carried out despite the world conflict.

"Even in time of war those nations, which still hold to the old ideals of Christianity and democracy, are carrying on services to humanity which have little or no relationship to torpedoes or guns or bombs," he said.

"That means very definitely that we have an abiding faith in the future—a definite expectancy that we are going to win through to a peace which will bring with it continuing progress and substantial success in our efforts for the security and not for the destruction of humanity."

Under the enemy's kind of government, he said, there was (Turn to Page 2, Col. 2)

High School FFA Honored By Grange

Fifteen members of the Salem high school chapter of the Future Farmers of America were honored at a dinner at the Swegle school Friday night by Salem grange in cooperation with other subordinate granges in Marion and Polk counties. The dinner was in recognition of their being named one of the four best of the 8000 chapters in the United States at a convention in Kansas City last year.

Theodore G. Nelson, master of the Salem grange, had charge of the program. Jens S. Synth, Salem high school agriculture instructor, introduced members of the FFA chapter. One of the group, Loren Weidner, gave a resume of the chapter's activities during last year.

Each of the 20 granges represented, gave the boys certificates of recognition. Elmer McClure, state grange deputy, presented a 25-year membership certificate to Mrs. J. J. McDonald, member of the Salem grange.

Entertainment, in charge of Fred C. Klaus, Salem grange lecturer, included a vocal solo, by Miss Myrtle Meier, a talk by Miss Pat McClure, on work of the young grangers of Oregon, and a group of songs by the men's chorus of the Dairy Co-operative association, led by G. C. Poe of Portland.

Supreme Court Judge James T. Brand was the main speaker. He spoke on the subject of "World Conditions" and told of the totalitarian system of training children.

Ecuador Raps Axis QUITO, Ecuador, Jan. 30 (AP) Ecuador Friday formally broke off diplomatic relations with Germany, Italy and Japan.

Worries Japs



GEN. DOUGLAS MACARTHUR

Luzon Leader Ignores Japs

MacArthur's Troops Laugh at Surrender Plea of Invaders

WASHINGTON, Jan. 30 (P) Gen. Douglas MacArthur reported to the war department Friday that he had simply ignored a Japanese demand for his surrender and said his Filipino troops had only laughed at Jap appeals that they lay down their arms.

His message was transmitted while his battered but determined defending forces braced themselves to repel another in the long series of full scale enemy onslaughts. While the invaders prepared to resume the offensive there was a lull in the fighting.

The demand for capitulation, said the general, was printed on leaflets dropped by Japanese aviators as early as January 10. More recently, he added, the Japs had resumed dropping the pamphlets, this time with a message for the Filipino soldiers printed on the reverse side.

The appeal, expressing a desire to "avoid further annihilation of your dear lives," was filled with typically amusing Japanese schoolboy examples of mutilated English.

"This message," MacArthur said, "has occasioned much mirth among the Filipino soldiers who are continuing their resistance with loyalty, courage and resolution," he said.

The original leaflet of Jan. 10 was addressed to General MacArthur, and read:

"You are well aware that you are doomed. The end is near. (Turn to Page 2, Col. 4)

Oregon CIO Starts Meet

BEND, Jan. 30 (P)—Warned that America is facing one of the most critical periods in history, delegates to the fourth annual CIO Oregon state industrial union council began their convention Friday with a display of patriotism.

Many wore badges bearing the slogan "Remember Pearl Harbor." Union officials reiterated that Oregon workers have pledged to do their part in the nation's war production effort.

Big Valley Base May Be Near

Corvallis Hears Bids for First Unit Called

Word that construction of the Polk-Benton counties army cantonment was about to get under way was heard in Corvallis Friday, backed by the report that contractors were to submit bids next Wednesday for an administration building and that 60,000,000 board feet of lumber was soon to be purchased for the big project.

The administration building, described as a two-story frame structure, is to be completed by early March. It is to be located in northern Benton county, approximate site mentioned last fall as the probable area in which post activities might center.

In Corvallis, the Gazette-Times reported that both the Southern Pacific railroad and the West Side Pacific highway were to be relocated and erection of barracks started as soon as possible.

Details as to the probable size and cost of the cantonment, published in war department press bulletins last summer and fall, are being withheld at this time at the request of army authorities. They have indicated that no additional official statements are to be issued.

PORTLAND, Jan. 30 (P)—The Pacific Coast Lumber Digest said Friday the government would purchase 150,000,000 board feet of lumber from western mills next week for new army construction.

The cantonment at Corvallis will get 60,000,000 feet of the lumber purchased and a small amount will go for the cantonment at Medford, said C. C. Crow, publisher. The remainder, he said, would be used for construction of ordnance plants in California, Colorado, South Dakota and Arizona, and for airports in Washington and South Dakota.

Crow said he expected about 200 western lumbermen would submit bids at a meeting starting here Tuesday which would (Turn to Page 2, Col. 4)

Mealtime For the AEF in Ireland Camp



United States doughboys, reputedly the best-fed soldiers in the world, of the second American expeditionary force greet the call to eat with gusto at a northern Ireland camp. This photo was sent by radio from London to New York, wired to Chicago and airmailed to The Statesman.

New Officers Appointed to State Posts

S. B. "Sam" Gillette will head the purchasing division of the state board of control under Roy H. Mills, who was named Friday as secretary succeeding Dan J. Fry, Gov. Sprague announced. Gillette has served in the board offices for many years.

Mills is to retain his responsibilities as business manager of state institutions. The position of state budget director, for which Mills was selected earlier in the week before Fry announced his resignation to enter private business, may not be filled for two or three weeks, the governor indicated.

Thursday's Weather Forecasts withheld and temperature data delayed by army request. River Friday, 6 feet. Max. temp. Thursday, 23, min. 30.

Knudsen Sworn Lieutenant General



William S. Knudsen (left), former director general of the office of production management for defense, took the oath as lieutenant-general at Washington, DC, from Judge Advocate General Myron C. Cramer (center). Secretary of War Henry L. Stimson (right) witnessed the ceremony. Knudsen's new job is production chief for the war department.