On Pay Day Buy US defense bonds and tamps, the IOU of the Red.

POUNDED

The Oregon Co Statesman

Salem. Oregon. Saturday Maming, March 21, 1942

INETY-FIRST YEAR

Corvallis **Camp** Car **Speed Cut**

35-Mile Limit **Prescribed** by **Highway Board**

PORTLAND, March 20-(AP) The state highway commission today ordered a 35-mile speed limit in the Medford and Corvallis army cantonment areas and awarded a contract for highway improvement near the Medford cantonment.

Chairman Henry F. Cabell said the reduced speed limit was effective immediately. Traffic congestion was given as the rea son for the order.

The commission discussed President Roosevelt's recent request for a 40-mile speed limit, but said it had no authority to set a statewide restriction.

"We only have jurisdiction in case of a certain stretch of highway is unsafe from an engineering standpoint, which includes construction problems such as those now developing at cantonments," Cabell said.

Commission Attorney J. M. Devers said the state legislature had the power to change the 55mile-an-hour limit set in 1941.

The construction contract awarded by the commission today went to Berke Bros., Portland, on a low bid of \$312,887.50 for work on the Crater Lake highway northeast of Medford in the cantonment area.

The contrast was for the north anit of a nine-mile project between Ragie Point and Medford. The orth unit covers 4.91 miles.

All bids on the south unit of



Dispatches from European capitals early this morning tell of growing territorial grievances in Rumania for the return of Transylvania, just above center in the above map, lost to Hungary in an axis-distated settlement. Hungary in turn is increasing her border armed

Hungary Adds Men **Opposite** Rumania

Rumanians Shout for Transylvania Return; Dispatches Indicate End Of Dictated 'Press Armistice'

LONDON, Saturday, March 21-(AP)-Hungary has militarily strengthened her borders with Rumania because of Rumania's growing territorial grievances, the London Daily mail's Geneva correspondent said Saturday.

The Vichy news agency in a Bucharest dispatch reprinted here Friday said that Rumania's acting premier, Prof. Mihail An

Nazi Blitz Offense Soon on Japan Is Undone Born Russ Declared by US Leaders Hits Japs

Strategic Nazi **Defense** Center **Claimed Taken**

MOSCOW, March 20-(AP)-Red Melbourne Star, official army publication said Friday night that the German army has lost its "blitz" striking power and is now unable to develop an offensive over the entire Russian front. The toll taken of the Germans in retreat has so weakened the nazi army, the paper said, that it will be unable to hurl its full force against the red army as it did last summer. It admitted, however, that the Germans can concentrate great forces on separate sectors of the front.

'Every inch of soviet land occupied by the enemy was taken at the cost of enormous losses," Red Star said. "At Odessa the Germans and Rumanians lost a half million men, at Kharkov, 120.000."

The Russians put more pressure on the trapped German 16th army at Staraya Russa Friday and reports from the front told of the capture of an important nazi defense center and slaughter of hundreds of desperate nazis trying by any means to break out of the encirclement.

Tass, official Soviet news agency, said the defense center on the after only its commander and 15 north central front was captured men were left alive.

Other dispatches said 1000 Germans were killed at a fortified junction point. It was not clear whether these accounts dealt with the same or separate tonescu, had charged that the Ru-(Turn to Page 2, Col. 5) **Probe Asked** In Campaign **AFL's Green Complains Of Oklahoma Backing** For Anti-Labor

Protests MacArthur Is **Greeted** by

Says President Sent Him to Prepare for Assault on Japs By C. YATES MCDANIEL

MELBOURNE, Australia, Saturday, March 21-(AP)-Gen. Douglas MacArthur arrived here early Saturday and was enthusiastically greeted by a large crowd, thrilled by his promise a few hours earlier that allied defense would give way to an offense to drive the Japanese out of the Philippines. The hero of Bataan, supreme commander of United Nations

forces in the southwest Pacific **Casey** Caught in the first interview of his new position, said the present defensive phase of the war would be followed by a grand allied at-**Amid Dispute** tack. MacArthur came here by train from Adelaide.

Gen. MacArthur's train pulled into the station, where a great crowd had gathered to welcome him, at 9:30 a. m. "I am glad indeed to be in im-

nediate cooperation with the Australian soldier," the general said when he arrived. "I know him well from World war days and admire him greatly.

personalities, policies and pur-poses between British Prime Min-"I have every confidence in ister Winston Churchill and Authe ultimate success of our joint stralian Prime Minister John Curcause, but success in modern

Stilwell Takes **Command Over** Yanks, Chinese

Price Ser Newstands Se

Reveals Intention to Drive Japanese Out, **Clear Into Tokyo**

CHUNGKING, China, March 20-(P)-Lieut. Gen. Joseph W. Stilwell of the United States disclosed Friday that he commands all American forces in India, Burma and China in ad-

dition to the two Chinese armies in Burma, and said: "The United States means business, and we won't be satis-fied until we see American and Chinese troops in Tokyo together."

The officer who recently became chief of staff to Chiang Kai-Shek told a press conference he was unable to go into details, "but you may assume from the fact that I have been assigned to command any United States forces in China, Burma and India that the

effort contemplated is large. **Curtin Reluctant to** "President Roosevelt has ex-pressed his determination to use all means necessary to clear China of the Japanese." **Churchill Surprised**

The American volunteer group fliers who already have won fame CANBERRA, Australia, March over Burma and China will pro-20-An empire family clash of tect the Chinese forces in Burma, General Stillwell said. Just returned from an inspec-

tion of the Burma front, he said dalay. Tired British troops have been falling back slowly along this

British allies.

Japs to Stop

Permit Seizures

From Neutrals

Enemy' Ships

Law of War Changed to

BERLIN-(FROM GERMAN

BROADCASTS)-March 20-(AP)-

The Berlin radio, in a Tokyo dis-patch, said Friday night that "re-

vised" Japanese naval regula-

700 Casualties **Inflicted** Upon **Burma Invaders**

Chiang's

The Inside

ay by Kirks Simpson

By The Associated Press NEW DELHI, India, March Kel

20-The Japanese already have suffered 700 casualties in heavy fighting now in progress south of Toungoo, Burma, where tough Chinese cavalrymen spurred into action against the invaders' armored cars, infantry and horsemen, the British announced tonight.

Official advices placed the scene of the Sittang front on the left wing of the British-Chinese line defending central Burma.

The fighting had spread north-The fighting had spread north-ward from a point some 35 miles south of Toungoo, where the Chinese troopers swooped down on the Japanese yesterday, and the British—in a new defense line in the vicinity of Toungoo -were heavily engaged today. Hard fighting continues, a special communique said.

In the first strong Chinese action on the Bratish-held front since Chiang Kai-Shek's troops took up positions in Burma last January, the cavalry detachment pounced on a mixed force of 400 Japanese infantrymen and cavalrymen south of Pyu, killed 100 of the enemy and destroyed the column's entire complement of

three armored cars. Pyu is 35 miles south of the important. British defense point of Toungoo, on the eastern railhighway route northward to Man-

4.01 miles were rejected b an this section will be read. Jap Cruiser Is Bids on this section will be readvertised again in two or three

Barke Bros.' bid on the north unit was approximately \$8000 above the engineer's estimate, the sion pointed out, but all bids on the south unit were from \$60,000 to \$80,000 in excess of the engineer's estimated cost of \$366 .-600. Bids on the south unit were gualified by contractors who stipulated that their figures would hold only if they were successful in bidding on the north unit.

The commission said bids for highway improvements on the Pacific highway near an army cantonment in the Corvallis region probably would be advertiged for opening at next month's meeting.

Coordinator **Decision** Is Approaching

The credentials committee of the Four-County Cantonment council is down to four applicants in considering men for appointment as coordinator of the four counties and nine cities most affected by construction of the Albany-Corvallis army cantonment. Grant Murphy, Marion county judge, reported Friday. Murphy said the committee

wold meet at 4 p.m. Monday at the Linn county courthouse to decide on a final report to be presented at the council's regular meeting in Albany that night. Seven applications were considered at a meeting this week, with an eighth to be presented Monday.

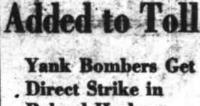
The committee consists of County Judges Murphy of Maron and J. J. Barrett of Linn, and the council executive committee members-Mayors H. W. Hand of Corvallis, Leif Finseth of Dallas and M. J. Butler of Indepen-

Legion Seeks **USO** Center

A special committee from Cap-ital Post No. 9, American Legion, is undertaking a strenuous effort to obtain authorization for contruction of a USO building in Saem to serve as a recreation cen-

tem to serve as a recreation cen-ter for soldiers, Ray J. Stumbo, chairman, announced Friday. "We're going right after this, taking all possible steps in co-operation with other interested gencies," Stumbo said. "We'll take it up with Sen. McNary

billied 1000 Germans at Bryansk, 75 miles northwest of Orel, and for the job. Thursday's Weather cording to an official statement of the mayor of Kragujevic, about 60 per cent of the whole male to have provided a where they set fire to stores and posted faunti bey have been commercial truck He said he fee USO building here. and former manager of the new Montgomery Ward store here, has been mentioned as a possibility triate paid with their lives mperature delayed by ar-equest. Elver Friday, 1.6 that the \$5 assessment pay for the first six mot the new program and pr that the new business m Other members of the Legion committee are Brazier C. Small, L. E. "Mose" Palmateer and Rex and temperature d my request. Hive foot. Max. temper day, 55, min., 33. eath of 40 mania. The belated evenitness acries, chiefly lu leis en German bulletin been mentioned as a for the new position. in the beart of the city. -



Rabaul Harbor WASHINGTON, March 20-(AP)

The addition of a Japanese cruiser to the mounting total of enemy ships sunk or damaged by

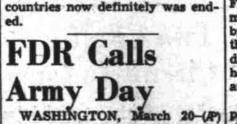
American army bombers in the aerial hit-run battle to forestall ed. invasion of Australia was reported Friday by the war department. Striking a distance of possibly 300 miles from their bases, two bombers made a direct hit on a large cruiser in the harbor of Ra-

baul, on the island of New Britain. Belatedly reported from Gen. **Douglas MacArthur's Australian** headquarters, the attack took place Wednesday, a communique said. It followed a foray made the day before by a single long range bomber on a Japaneseheld airport at Koepang, on the island of Timor, some 1500 miles to the west.

(The Rabaul raid appeared have been reported Thursday by Prime Minister John Curtin of Australia who announced at Mel-(Turn to Page 2, Col. 7)



Saturday's mail dispatch from Budapest via Geneva said that "the Hungarian government has been shocked by Aontonescu's speech." and that the "press armistice" between the axis satellite



President Roosevelt asked the American people Friday to honor on April 6-the first "Army day." of the war-a citizen soldiery preparing to achieve a "victory upon which may be built a firm structure of peace and freedom." In a proclamation setting the

would by that time in coopera-

with Thielsen and the regular

membership committee have raised the organization's mem-

bership to a level at which nor-

mal dues would cover expenses

day aside for appropriate observance, he urged the people to de-vote special thought "to the great responsibility for contributing unstintedly of their effort and their means in order that our armed bourne that "our aircraft" bombed forces may be adequately equipped for victory."

Salem Chamber Votes to Hire Extra Man to Boost Industry

Expansion of activities of the Salem chamber of commerce into the field of industrial and other forms of promotion was approved at a members' meeting called in

the chamber auditorium Friday Ray Yocom, member of the chamber industrial committee, deafternoon by the board of direcclared he believed "the time ripe for the chamber to put on a pro-The membership, represent

ed by more than 150 business gram that will do the community and professional men and wom-en, specifically authorized the some real good." "We all realize that we could directors to invoke a \$5 assess-

be more aggressive in going out after new industry," Gene Van-denynde, who attended the ear-lier meeting, said in adding his ment per member to start the program and to proceed with-plans for the employment of a business and extension director. Fred D. Thielsen, who has car-ried the title of manager for sev-eral years, will continue his presword of approval to the program. "The merchants will benefit from any new industry, large of small."

ent duties with the designation as executive secretary, Pres. Carl W. Hogg said. "The chamber is now out of and extension manager would be

debt," Hogg explained, "and we feel it's time to expand our program to carry on much-nee otion of new industries an to meet emergency proble as the need of a chesp, s ation service between

entits was open. Two applica-tions have already been made centilin of 100 flatin for overy German soldier killed. At this

WASHINGTON, March 20-(AP) Senator Thomas (D-Okla.) said I shall keep the soldiers' faith." Friday he would ask a senate committee to look into a complaint by William Green, president of the AFL, that a campaign of un- Japanese lines and proceed from disclosed backing was on in Oklahoma for the passage of war-time

anti-labor legislation. In that state, Green told an appropriations subcommittee, school children had been asked to sur-

render their lunch money to pay for telegrams urging such legislation upon Senator Lee (D-Okla.) The Oklahoma Publishing company, publishers of the Daily Oklahoman and Oklahoma City Times, he asserted, too, had sponsored a mass meeting to advo-cate "repealing the 40-hour week

and outlawing strikes." These things had been done, he said, despite the fact that there had not been a single strike in war production factories in Oklahoma since the war started.

In Oklahoma City, meanwhile, the Times published a statement saying the Oklahoma Publishing company "has received no money for initiating or conducting the editorial effort it has made to cause congress to remove present

(Turn to Page 2, Col. 4)

Soviet-Japanese **Fishing Accord Extended Year**

MOSCOW, March 20-(/P)-The Russian government announced Friday night a one-year extension of the soviet Japanese fisheries agreement which expired last De-

A protocol to this effect was

signed Friday at Kuibyshev by Andrei J. Vishinsky, vice com-missar of foreign affairs, and Lt. Gen. Yoshitsugo Tatekawa, retir-"The assessment won't hurt ing Japanese ambassador to Rus-anyone," Ralph Cooley comment-

The and ment of the agree nent said there had been an ange of notes on the que

selected by a committee consisi-ing of three directors and two other business men to be named fishing companies would not bid fishing companies would not bid during auctioning at five of the 12 turing auctioning at mich the "The salary will be up to the "The salary will be up to the committee," Hogg mid. "It is be-lieved Salem can afford a high type man for this job." The salary said the field for appli-tion and the field for applieithin the next two or three days.

war requires something more than courage and willingness to die. It requires careful preparation.

"This means furnishing suffi-tion groups and sufficient ma-terial to meet the known strength of a potential enemy, "No general can make some-

thing from nothing. My success or failure will depend primarily upon the resources which our respective

governments place at my disposal "My faith in them is complete In any event I shall do my best "The president of the United

States," he said succintly, "ordered me to break through the Corregidor to Australia for the

purpose, as I understand it, of organizing an American offensive against Japan. "The primary purpose of this

the relief of the Philippines. came through and I will return." This brief but clear suggestion of what allied strategy is to be-first a dynamic defense and a great push through the southern seas-came on a day of

heavy air fighting over the (Turn to Page 2, Col. 2) can-born Japanese from Pasa-

Air Patrol's **Planes May Rise Soon**

Belief that the Salem airpor may be included among the "designated" fields of the state from which private planes may be flown under army regulations is held by members of Salem's civil air patrol, officers of the group said Friday night. R. E. Herr, senior aeronautical inspector of the CAA, said Friday in Portland

that such might be the case. Because the Salem airport has been under armed guard, private-ly-owned planes have been stored Mass Execution of Patriots

the outbreak of the war. Withdrawal of army guards this weekend leaves the task of guard-

defiant lands of Europe came ac-counts Saturday of brutal, mass machine-gun executions of 4000 Serb patriots, of wholesale new arrests among Belgians and Frenchmen and harsher restric-

Salem city port as a base for for-est pairol flights.

Oregon Quota of **Tires Exhausted**

boys were mowed down late last November after Hitler personal-ly had invoked a 100-for-1 re-PORTLAND, March 20-07)-Th prisal against Yugoslava unco verted to the Sushrer's "new u

that a request for additional the

tin came out into the open Fri- he did not know how the Japwere using their Thai (Siaday and created a sensation that mese) allies in the campaign, "but there are indications that the Thais are not going to fight too almost crowded war news from Australian front pages. Caught in the middle was hand-

desperately for Japan." He called for patience while the United Nations mounted their in-evitable counter-offensive against by their new liaison with their some, moustached Richard Casey, the Australian minister to Washington who is going to the middle-east as minister of state for the Japan, saving "there is a great (Turn to Page 2, Col. 1)

deal of work to do first, and there are mistakes to be repaired." "We knew the Japanese were

a lot of savages and we knew they were not afraid to die." he said. "We were rather surprised by their initial successes, but cool consideration shows that the probabilities were in favor of such successes.

too dumb to see through their intentions, and now we are paying gerous and aggressive enemy-but where they have been met by anything like equal strength they

All of Ballot the way to 1000 aliens and Ameri- Places Taken

group of 1000 will go in two special trains, leaving from Los An-Although only a few buildings

would file this morning. Wagner, resident of Salem since

said Saturday in a dispatch

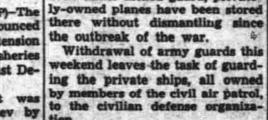
quoted by Reuters. Hurling Jarge numbers men at Kharkov, the Russland were reported to have made temporary infiltrations of nazi fortifications before being driven back.

SYDNEY, March 21-(Saturday)-(/P)-The war in New Gulnes probably will be compli cated by outbreaks of head hunt-ing among cannibals from the Sepik river area where some of the world's wildest tribes are

the world's wildest tribes are found, the Port Moresby cor-respondent of the Sydney Sun reported Friday. The remaining white civilians in the Japanese-invaded areas are threatened by the outbreak of this warfare, while some na-tive police have joined maraud-ing bands preying on other pa-tives, the dispatch said in quot-ing refugees reaching Port Moresby. houses for the men," the Yugo-slavs related. "The men were led out of town. Nobody knew the reason for the measure. "The Germans rounded up about 6000 men and boys, from 15 to about 50. Although bewildered, all "were not unduly perturbed Contraction of the local division of the loc

MOSCOW, March 21-(Satur-day)-(#) Soviet guerrillas were reported Saturday to have

Salation of 48. Armed pro-then had these proups into 20 and busines and bagan in w their machine-guns on the transportation service between lieven saven out allows the service between type man for this job." Ealern and the Albany-Corvallis type man for this job." Bogg said the field for appli-An attack was made on a terman pairel shortly after titler's edict calling for the on-"About 100 schoolboys with schoolbooks still in their hands were with them. The number ex-The San Francisco office of the deral security agency recently commended against approval of Jeven passenger car tires ha isoppeared, Carl B. Cadwell, a cutive secretary, said, becau



Most urgent request for the pro-posed designation entered with the army has been for use of the

tions upon Jews by axis ant es, told how the Serb me

regon rationing admi aid Friday the March a re quots had been exha

Going to Camp In California LOS ANGELES, March 20-(AP)

Japs Monday

2000 in First Group

transported to Manzanar, process-

ing station situated 235 miles

Army trucks and Jeeps will lead

northeast of Los Angeles.

JOHN CURTIN

Give up Minister;

By The Associated Press

Evacuation of

"In the United States we were By train and motor caravan the for it. We realize they are a danbig push of Japanese out of strategic coastal areas will begin at dawn Monday, with 2000 evacuees have been licked."

tions hereafter would permit the Japanese to halt all neutral vessels and seize "former soldiers,

can-born Japanese from Pasa-dena's famed Rose Bowl, beginning at 6 a. m. The Japanese will drive their own automobiles. Another The hole in Salem's city ballot was filled Friday with the filing of E. R. Wagner's candidacy for the sixth ward alderman's post. At the same time indications pointed to at least one other candidate in the field. Friends of

have been completed in Manzanar, the walls and roofs of several are Clark Craig, confectioner at 17th and Market streets, declared he up, and there will be sleeping ac-commodations for those who arrive Monday, When completed, the

In Axis Countries Revealed

By The Associated Press

From German-subject but still

oslav government sources in

cuoting from eyew

coming from San Francisco 10 Manzanar Japanese colony will years ago, is office manager for Hunt Brothers cannery and lives have 490 buildings housing 10,000. Primarily, the Manzanar camp at 1625 North 20th street. The is designed to accommodate the Japanese while they are classified is designed to accommodate the council position for which he has Japanese while they are classified declared himself a candidate is that now held by Philip Holmes, transferred to inland concentration who because of lack of time has camps for the duration of the war. declared himself out of the race.

Serbs started in Kragjevas's

socal order.

"On Tu

month after Hitler issued his per-

"Germans started to search all

and some even mang thro

propagandists, and skilled laborers whose work may benefit ene-**Bulletins**

my countries," and hold those persons "as prisoners of war." The radio said that "details" of changes in Article VIII of the (Turn to Page 2, Col. 5)

LONDON, March 21-(Satu day)-(/P)-Russian troops are maintaining intense pressure of the city of Kharkov and violent fighting also is taking place north of Taganrog on the Sea of Azov, the Vichy news agency