

On Pay Day Buy US defense bonds and stamps, the IOU of the Red, White, and Blue!

The Oregon Statesman

The Inside Your complete morning newspaper, The Statesman, offers you pertinent news, in a way you can't find by other newspapers. Washington analyst.

NINETY-FIRST YEAR

Salem, Oregon, Saturday Morning, March 21, 1942

Price Six Newsstands 8c

No. 308

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 reason 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 55-mile-an-hour limit set in 1941.

The construction contract awarded by the commission to work on the Crater Lake highway northeast of Medford in the cantonment area.

The contract was for the north unit of a nine-mile project between Eagle Point and Medford. The north unit covers 4.91 miles.

All bids on the south unit of 4.01 miles were rejected by the commission as excessively high. Bids on this section will be re-advertised again in two or three weeks.

Berke Bros. bid on the north unit was approximately \$9000 above the engineer's estimate, the commission pointed out, but all bids on the south unit were from \$90,000 to \$90,000 in excess of the engineer's estimated cost of \$365,000. Bids on the south unit were qualified 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 advertised 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 would 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 Marion and J. J. Barrett of Linn, and the council executive committee members—Mayors H. W. Hand of Corvallis, Leit Finseth of Dallas and M. J. Butler of Independence.

Legion Seeks USO Center

A special committee from Capital Post No. 9, American Legion, is undertaking a strenuous effort to obtain authorization for construction of a USO building in Salem to serve as a recreation center for soldiers, Ray J. Stumbo, chairman, announced Friday.

"We're going right after this, taking all possible steps in co-operation with other interested agencies," Stumbo said. "We'll take it up with Sen. McNary first."

The San Francisco office of the federal security agency recently recommended approval of a USO building here.

Other members of the Legion committee are Brazier C. Small, O. E. "Moss" Palmateer and Rex Kismull.

Border Quarrel Looms



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-dictated settlement. Hungary in turn is increasing her border armed forces.

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 Antonescu, had charged that the Rumanian army was insulted "by words and writings" in Hungary.

Antonescu's speech was interrupted by shouts of "we want Transylvania." His dispatch said, referring to the slice of territory which Rumania lost to Hungary through an axis-dictated settlement at Vienna.

Saturday's mail dispatch from Budapest via Geneva said that "the Hungarian government has been shocked by Antonescu's speech," and that the "press armistice" between the axis satellite countries now definitely was ended.

Jap Cruiser Is Added to Toll

Yank Bombers Get Direct Strike in Rabaul Harbor

WASHINGTON, March 20-(AP)—The addition of a Japanese cruiser to the mounting toll of enemy ships sunk or damaged by American army bombers in the aerial hit-run battle to forestall invasion of Australia was reported Friday by the war department.

Striking a distance of possibly 800 miles from their bases, two bombers made a direct hit on a large cruiser in the harbor of Rabaul, on the island of New Britain.

Relayed reported from Gen. Douglas MacArthur's Australian headquarters, the attack took place Wednesday, a communiqué said. It followed a foray made the day before by a single long range bomber on a Japanese-held airport at Keapang, on the island of Timor, some 1500 miles to the west.

(The Rabaul raid appeared to have been reported Thursday by Prime Minister John Curtin of Australia who announced at Melbourne that "our aircraft" bombed)

(Turn to Page 2, Col. 7)

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 afternoon by the board of directors.

Nazi Blitz Is Undone Say Russ

Strategic Nazi Defense Center Claimed Taken

MOSCOW, March 20-(AP)—Red 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, 150,000."

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 15th north central front was captured and 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 actions, but all reports said the

(Turn to Page 2, Col. 5)

Probe Asked in Campaign

AFL's Green Complains Of Oklahoma Backing For Anti-Labor

WASHINGTON, March 20-(AP)—Senator Thomas (D-Okla.) said Friday he would ask a senate committee to look into a complaint by William Green, president of the AFL, that a campaign of undisclosed 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 surrender 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, had sponsored a mass meeting to advocate "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-(AP)—The Russian government announced Friday night a one-year extension of the Soviet-Japanese fisheries agreement which expired last December.

A protocol to this effect was signed Friday at Kulyshev by Andrei J. Vlahinsky, vice minister of foreign affairs, and Lt. Gen. Yoshitomo Tachibana, retiring Japanese ambassador to Russia.

The announcement of the agreement said there had been an "exchange of notes on the question." Under terms of the extension, the Japanese agreed that their fishing companies would not bid during auctioning at five of the 12 fishing grounds on which the permit expired last December.

Offense Soon on Japan Declared by US Leaders

MacArthur Is Greeted by Melbourne

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, in the first interview of his new position, said the present defensive phase of the war would be followed by a grand allied attack. 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 immediate cooperation with the Australian soldier," the general said when he arrived.

"I know him well from World War days and admire him greatly. I have every confidence in the ultimate success of our joint cause, but success in modern war requires something more than courage and willingness to die. It requires careful preparation."

"This means furnishing sufficient troops and sufficient material to meet the known strength of a potential enemy.

"No general can make something 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. I shall keep the soldiers' faith."

"The president of the United States," he said succinctly, "ordered me to break through the Japanese lines and proceed from Corregidor to Australia for the purpose, as I understand it, of organizing an American offensive against Japan."

"The primary purpose of this is the relief of the Philippines. I 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)

Air Patrol's Planes May Rise Soon

Belief that the Salem airport 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, privately-owned planes have been stored there without dismantling since the outbreak of the war.

Withdrawal of army guards this weekend leaves the task of guarding the private ships, all owned by members of the civil air patrol, to the civilian defense organization.



JOHN CURTIN

Casey Caught Amid Dispute

Curtin Reluctant to Give up Minister; Churchill Surprised

By The Associated Press, CANBERRA, Australia, March 20—An empire family clash of personalities, policies and purposes between British Prime Minister Winston Churchill and Australian Prime Minister John Curtin came out into the open Friday and created a sensation that almost crowded war news from Australian front pages.

Caught in the middle was handsome, moustached Richard Casey, the Australian minister to Washington who is going to the middle east as minister of state for the

(Turn to Page 2, Col. 1)

Evacuation of Japs Monday

2000 in First Group Going to Camp in California

LOS ANGELES, March 20-(AP)—By train and motor caravan of strategic coastal areas will begin at dawn Monday, with 2000 evacuees transported to Manzanar, processing station situated 235 miles northeast of Los Angeles.

Army trucks and Jeeps will lead the way to 1000 aliens and American-born Japanese from Pasadena's famed Rose Bowl, beginning at 8 a. m. The Japanese will drive their own automobiles. Another group of 1000 will go in two special trains, leaving from Los Angeles.

Although only a few buildings have been completed in Manzanar, the walls and roofs of several are up, and there will be sleeping accommodations for those who arrive Monday. When completed, the Manzanar Japanese colony will have 400 buildings housing 10,000.

Primarily, the Manzanar camp is designed to accommodate the Japanese while they are classified as to capabilities before they are transferred to inland concentration camps for the duration of the war.

Mass Execution of Patriots in Axis Countries Revealed

By The Associated Press, From German-occupied but still defiant lands of Europe came accounts Saturday of brutal, mass machine-gun executions of 4000 Serb patriots, of wholesale new arrests among Belgians and Frenchmen and harsher restrictions upon Jews by axis satellites.

Yugoslav government sources in London, quoting from eyewitnesses, told how the Serb men and boys were moved down late last November after Hitler personally had invoked a 100-for-1 reprisal against Yugoslav unconverted to the father's "new order."

An attack was made on a German patrol shortly after Hitler's edict calling for the execution of 100 Serbs for every German soldier killed. At this rate it thus appeared that 4000 patriots paid with their lives for the death of 40 nazis.

Chiang's Cavalry Hits Japs

700 Casualties Inflicted Upon Burma Invaders

By The Associated Press, NEW DELHI, India, March 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 northward from a point some 35 miles south of Toungoo, where the Chinese troops swooped down on the Japanese yesterday, and the British—in a new defensive 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 British-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 railway route northward to Mandalay.

Tired British troops have been falling back slowly along this route and the locale of today's fight demonstrated not only the offensive determination of Lieut. Gen. Joseph W. Stilwell, the American commander of the Chinese forces, but it showed plainly their new liaison with their British allies.

Japs to Stop 'Enemy' Ships

Law of War Changed to Permit Seizures From Neutrals

BERLIN—(FROM GERMAN BROADCASTS)—March 20-(AP)—The Berlin radio, in a Tokyo dispatch, said Friday night that "revised" Japanese naval regulations hereafter would permit the Japanese to halt all neutral vessels and seize "former soldiers, propagandists, and skilled laborers whose work may benefit enemy 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)

All of Ballot Places Taken

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.

Clark Craig, confectioner at 17th and Market streets, declared he would file this morning.

Wagner, resident of Salem since coming from San Francisco 10 years ago, is office manager for Hunt Brothers cannery and lives at 1625 North 20th street. The council position for which he has declared himself a candidate is that now held by Philip Holmes, who because of lack of time has declared himself out of the race.

Bulletins

LONDON, March 21-(Saturday)-(AP)—Russian troops are maintaining intense pressure of the city of Kharkov and violent fighting also is taking place north of Tannenberg on the Sea of Anzov, the Vichy news agency said Saturday in a dispatch quoted by Reuters.

Enlisting large numbers of men at Kharkov, the Russians were reported to have made temporary infiltrations of road fortifications before being driven back.

SYDNEY, March 21-(Saturday)-(AP)—The war in New Guinea probably will be complicated by outbreaks of head hunting among cannibals from the Sepik river area where some of the world's wildest tribes are found, the Fort Mearns correspondent of the Sydney Sun reported Friday.