

Rumania-Hungary Frontier Dispute Flares

Kallay Pledges Death Defense

Hungarians in Border Area Said Robbed Of Food Cards

BERN, Switzerland, June 15—(AP) The old enmity between Hungary and Rumania flared up again Monday when the Hungarian premier, Nicholas Kallay, replied to new anti-Hungarian measures in Rumania with a warning Hungary would defend her present frontiers "to the death."

Kallay spoke near the Rumanian frontier in Hungarian Transylvania at the same time the Hungarian press published reports the Rumanians were forcing the Hungarian minority to leave the Rumanian Transylvania by confiscating their foodstuffs and refusing to give them ration cards.

These reports said Rumanian soldiers, descending in force, broke into homes and took even the current day's food supply from the Hungarians who were given exit visas to cross to their homeland on foot.

This was the first use of force reported in the intermittent dispute between the two axis satellites over the question of Transylvania and the Vienna award which gave the northern part of this territory to Hungary in 1940.

Reliable Hungarian quarters said this was one of the subjects discussed during Kallay's recent talks with Adolf Hitler, and that Hitler refused to give assurances that the Vienna award would stand. According to these quarters, Kallay was told new adjustments would be undertaken when the war ended.

This apparently upheld Rumania's contention that she was entitled to consider because she had given troops for Hitler's Russian campaign much more liberally than Hungary. It also gave Rumania an opportunity to demonstrate her feelings by action against the Hungarian minority.

Both Hungary and Rumania, despite German pressure, have kept large forces along their respective borders, each fearing the other might strike if an opportunity presented itself.

Kallay told Transylvanian villagers that Hungary considered watching over them as "the first duty" of the nation and the army.

He referred to the belief of "another power" that it could establish itself there and declared "the territory of Hungarian Transylvania will be defended, if need be, to the death."

V. A. Douglas Changes Task

County Health Officer Commissioned, Takes Civil Defense Post

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The health officer will coordinate with local medical civilian defense agencies in the state and county and deal with inter-state problems.

Dr. Douglas entered the public health work in Marion county in 1926 as Salem county health officer. He is a graduate of the University of Oregon and University of Oregon Medical school. He attended the University of Grenoble in France and took post graduate work in public health at Harvard university in 1936-37. He is a member of the American Legion, Rotary club, American Public Health association, American Medical association and Oregon State Medical society.

At a meeting of the executive board of the Marion county department of health Monday, Dr. Douglas was granted a leave of absence for the duration. His successor has not yet been officially named.

Martin Kaiser Dies Sunday

MT. ANGEL — Martin Kaiser, 85 years old, died at his farm home northeast of Mt. Angel Sunday. He had been ill for two and a half years. Funeral services will be held at 9 o'clock Wednesday morning from St. Mary's church in Mt. Angel and burial will be made in Calvary cemetery.

Mr. Kaiser came to Mt. Angel 56 years ago and had lived on his farm near there ever since. He was born in Germany in 1857 and came to the United States when a young man. He was married to Miss Mary Lehardt at San Jose, Calif. She died in 1941.

Seven children survive. They are: Mrs. Mary Dolansky, Milwaukee; Mrs. Genevieve Wenger, Dallas; Mrs. Barbara Shaecher, Mt. Angel; Sister Mary Martina, OSB; Sister Mary Dolores, OSB, Mt. Angel; Josephine Kaiser, Port Angeles, Wash.; Joseph Kaiser, Mt. Angel. Eleven grandchildren also survive.

Gets Scholarship

PORTLAND, June 15—(AP)—Monna Mae Sheller, Canby, was among recipients of Reed college scholarships awarded Monday to outstanding high school seniors.

Library Receives Flag



An American flag was presented to Salem public library by Salem American Legion auxiliary members in observance of Flag week. Pictured, from left, are Librarian Hugh Morrow, Mrs. Frank Marshall, president, Capital unit auxiliary, and Mrs. Phil Shobar, the unit's community service chairman.—Photo by Hugh Lovell.

Salem Council Elects Member

Budget Bill Receives Two Readings, New Amendments Slated

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clared. Rigdon, appointed last week by Mayor W. W. Chadwick to work with the county court in securing rooms for rationers, was instructed to carry on.

The \$40,000 issue of refunding improvement bonds was sold to Atkinson, Jones & Co., to mature in \$4000 lots annually for the next 10 years, those maturing from 1943 to 1947 to draw 1 1/2 per cent interest, those from 1948 to 1952 to draw 1 3/4 per cent, at an 11 cent premium on each \$100 par value. The money, with more than \$8000 now held for that purpose, is to be utilized in retiring February, 1938, improvement bonds drawing a higher rate of interest.

A resolution establishing a grass-cutting fund and taking from the emergency fund \$250 for that purpose was passed, confirming verbal action of a fortnight ago.

Gadwa, defeated by Clark in the May elections, was nominated by Alderman C. F. French, also of the seventh ward. Voting against Alderman E. B. Perrine's motion to close nominations and cast a unanimous ballot, were Alderman J. H. Nicholson, Frank Marshall, L. F. LeGarie, Claude Jorgensen and Tom Armstrong. A representative of the group later declared that the name of at least one other nominee was to have been placed before the council.

An ordinance to give the title of building inspector to the city engineer, providing to him authority as executive over all employees in engineering and building inspection office, now jointly operated, drew from Marshall a motion to kill, which he later rescinded. Listed among the sponsors of the measure, Perrine declared he had not understood that the ordinance would make such drastic changes. The ordinance committee was instructed to study the measure and to compare it with systems in vogue in cities of similar size before the next session.

Registration will begin at 9 a.m. with the opening meeting slated for 10 o'clock. Addresses of welcome will be given by Mayor W. W. Chadwick and Miss Edith Schryver, president of the Salem Garden club.

Speaker at a luncheon will be Miss Eleanor Stephens, state librarian. Business sessions will be resumed in the afternoon to be followed by a garden tour and tea at the home of Miss Elizabeth Lord and Miss Schryver.

A banquet will be held tonight at 7 o'clock at the Marion hotel and speakers will be Lynn Cronemiller, who will talk on "Conservation in Oregon," and Edgar L. Kline, whose subject is "Lilies in Oregon."

Slated for Wednesday is the president's breakfast at the Marion hotel, business sessions, election of officers and luncheon with adjournment at 3:30 p.m.

Oregon Labor Said Example

State Federation Opens Annual Meet; Salem Men Elected

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workers to obtain their employment through public employment bureaus—necessity brings apprehension."

David B. Simpson, director of the Portland chamber of commerce and first Portland chamber representative invited to attend the convention, praised Oregon labor's record of no time lost by strikes in war industries.

He credited the federation with devising and carrying out a round table plan of settling disputes, and pledged the Portland chamber to meet labor "half-way."

MARSHFIELD, June 15—(AP) The AFL Oregon Building and Construction Trades council proposed Sunday that all employers be covered by state industrial accident insurance.

Volney P. Martin, Portland, was elected president; C. W. Cray, Salem, vice-president; and John O'Neill, Portland, secretary.

Lew Harkins, Salem; R. A. McInnis, Eugene, and Earl K. Edsall, Klamath Falls, were named to the executive board.

The council's next semi-annual meeting will be held at Salem December 12-13.

91st Division Plans Annual Meeting

Oliver Huston, president of the Salem chapter of the 91st Division association, announced that the annual meeting will be at his residence, 2515 North River road at 8 p.m. Thursday.

Salem Heights Holds Election

SALEM HEIGHTS—At a meeting of the Salem Heights school district Monday night, Hubert Dunn, was reelected school clerk and Robert Smith was named a director.

The budget for the next fiscal year was also approved by the meeting.

Italians Claim Sea Battle; Hitler Armies in Big Effort

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Erwin Rommel's armored forces. Some London quarters held the outcome of the Libyan campaign depended on developments of the next 48 hours. The capture of Tobruk is part of the German plan which aims at a descent into Egypt and a north-eastern drive on Iraq. Without possession of Tobruk as well as Bengasi, a port which the Germans hold, such an advance would be impossible.

Far to the north, German forces under General Fedor Von Bock hurled themselves at Soviet lines in the first of two anticipated thrusts toward Stalingrad and the approaches to the Caucasus.

The Black sea fleet, normally based on Sevastopol but now probably driven from that stronghold of Crimean fortresses by the intensity of German bombers and artillery, was reported to have blasted great gaps in the massed ranks of attacking axis troops in a barrage laid down on the siege lines.

(The Berlin radio said the soviet fleet attempted to approach the western Crimean coast near Yevpatoriya in an attack "obviously intended to divert attention from Sevastopol." German coastal artillery was said to have hit several warships, forcing the naval force to withdraw.)

27 Bombers Raid Darwin

Six Escort Fighters Shot Down Monday; Allies Lose Two

ALLIED HEADQUARTERS IN AUSTRALIA, Tuesday, June 16 (AP)—Six Japanese fighters escorting 27 bombers which attacked the northern Australian city of Darwin Monday for the third time in three days were shot down by allied fighters. Gen. Douglas MacArthur's headquarters announced Tuesday. Two of our fighters were lost.

Twenty seven Japanese bombers participated in the attack on both residential areas and the port of Darwin. They were escorted by 15 naval fighting planes, a communicate said.

Allied interceptor planes, rising to meet the raiders, shot down six of them. Two allied planes were lost.

Material damage and casualties were slight, the communicate said.

Four of the 18 to 25 raiders which came Sunday were shot down and one was felled Saturday. The allies lost a single plane on each previous raid.

Bomb fragments hit some houses, most of them empty.

The nearest known Japanese base is on the Dutch-Portuguese island of Timor, some 400 miles to the northwest. The reason for their preoccupation with Darwin was not immediately apparent.

Legionnaires Close Post Nominations

Capital post No. 9, American Legion, had its second and final nomination meeting Monday night in the Legion hall and all officers nominated on the first meeting night went unopposed.

Nominations for all offices, committees, delegations and alternates were closed.

The post will hold its election on Monday night, July 6.

Those officers up for election who were unopposed Monday night are Ira O. Pilcher, commander; John Olsen, first vice-commander; Stanley Krueger, second vice-commander; Mem Pearce, adjutant; C. V. Richardson, chaplain; Earl McSherry, historian; Ide Bacon, sergeant-at-arms.

Nominated for the building committee were E. O. "Mose" Palmateer and John T. Sells. Edwood Phillips was nominated and unopposed for the office of quartermaster.

The executive committee is as follows: Rex Kimmell, B. E. "Kelly" Owens, Fred Gahlsdorf, William Hardy, Fred Paulus, Don Madison, John T. Sells.

Guy Weaver was nominated for finance officer.

Delegates and alternates for the Legion convention are Earl McSherry, George Avenel, Jim Garson, John Olsen, B. E. "Kelly" Owens, Ray Stumbo, Douglas McKay, Mem Pearce, Rex Kimmell, A. M. Johnson, Oliver Huston, Dr. J. O. Van Winkle, Chester Zumwalt, A. S. Tussing, Ethan Grant, H. B. Pearson, Stanley Krueger, Waldo Mills and Dr. V. E. Hockett.

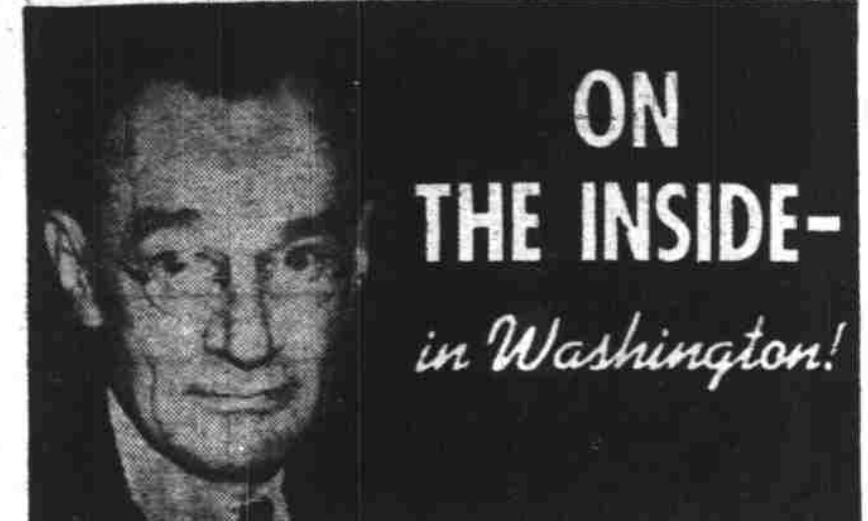
The cemetery committee is made up of Stanley Krueger and Don Madison.

Fractures Ankle

Mrs. Johanna Byrd, 297 North 14th street, was treated at the Salem General hospital Monday night for a fractured ankle received when she accidentally stepped into an open furnace register in her home.

Buckaroo Canceled

MOLALLA, June 15—(AP)—The annual Molalla Buckaroo has been canceled because of war conditions.



By KIRKE L. SIMPSON, Wide World War Analyst For The Statesman

On the heels of a disclosure that American long-range bombing planes are taking a hand in the Mediterranean war theatre come Italian reports that heavily guarded British convoys have been spotted and bombed while moving eastward in that sea.

Taken together, these reports create an impression that some sort of allied nutcracker operation fraught with second-front possibilities might be shaping up against the axis in the east as well as the west.

Forced landing of some of the American army planes in Turkey for internment revealed their presence. Nothing is known as to their actual mission, the bases from which they operated or the size of

Vessel in Gulf Victim of Subs

5 Reported Sinkings Boost Atlantic Toll Of War to 270

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cuers to wave them out of the danger area. Fifty three men then made port in two lifeboats. Second mate William J. McCarthy of New York City said both attempted rescues were made by Brazilian ships but that the men finally convinced the two to get out of the danger zone. Two seamen were killed in the sinking.

Argentine maritime police reported the torpedoing of the 9234-ton South Africa and said that 23 survivors refused rescue by an Argentine tanker which sighted their lifeboat off northeast coast of South America. An official announcement said the men were given food but declined to board the passing vessel.

From an east coast Canadian port came word of the landing of 25 survivors of a ship sunk in the Atlantic. Three women were reported in the group.

Meanwhile, 13 seamen from a medium-sized freighter whose sinking was announced last Thursday landed at an eastern port and told how the submarine's crew apologized for killing some of the freighter crew.

One of the U-boat's officers also told the survivors that "Germany and America should not be fighting each other." Before submerging his craft, the officer discussed the merits of American and German beer with the victims.

From Bogota, Colombia, came word that 26 survivors of a United States merchant ship were picked up from a lifeboat off San Andres island. It was not made clear whether the sinking had been announced previously.

All crewmen reached safety when an axis submarine shelled and sank a 73-ton British schooner, laden with salt, off Saint Lucia, British West Indies.

City police were brought into the picture late Monday by requests from early-closing stations for the officers to keep an eye on piles of rubber collected during the day.

One operator strung the equivalent of a clothes line around his station and hung up representative samples of rubber scrap brought in by "customers" to show the passing public the kind of articles that were acceptable—children's discarded rubber toys, rubber girdles, rubber boots, tires from broken scooters, and raincoats.

The state office of the Oregon salvage committee here issued a statement saying it received calls from would-be donors of rubber within a few minutes after President Roosevelt concluded the speech Saturday in which the rubber collection program was announced.

Nearly 2000 tons of scrap rubber had been contributed in Oregon to war production before the new drive began, the statement pointed out, adding that 48,000 tons of scrap iron and steel also had been gathered up since January 1.

Local district salvage committees were asked by C. W. Paulus, Marion county chairman, to call meetings and distribute informational statements concerning the rubber drive.

Defense Group Helps Ration

Members of the staff corps of the Marion county civilian defense office are not to attend their regularly scheduled class tonight in chamber of commerce rooms, but instead are to report to the office of the city-county rationing board in the council chambers of the city hall, the defense office announced Monday night.

By order of County Chairman Douglas McKay and Coordinator Bryan H. Conley, the class has been postponed, but not canceled, it was declared at defense headquarters. Staff members have been requested to assist with sugar rationing records and are to report to Mrs. Kenneth Bell, who is in charge of that work, it was said.

Inmate Apprehended

Harold Bowers, inmate of the Oregon state hospital who escaped Sunday, was apprehended late Monday by Portland police. He will be returned to the institution probably today.

Building Head Opens Office

Preparing for construction of buildings which are to house the Salem air base and for which bids are to be opened Wednesday in Portland, E. A. Hill, superintendent of the project, is to open his offices at the airport hangar building this morning.

Staking of sites for the buildings, which are to include barracks for airmen and ground forces, is to commence today, airport officials understand.

Hill and his family have taken a residence at 253 North 13th street.

ON THE INSIDE— in Washington!

the force. From any British-held area in the eastern Mediterranean, however, ships of their fuel and bomb load capacity are a grave menace to Germany's vital oil resources in Rumania.

So far as British convoys at sea are concerned, they have been intercepted and badly knocked about in the Mediterranean waistline area, the impressive aspect of the Italian reports is the stated size and composition of the naval escort. Damage to British battleships and plane carriers as well as cruisers and destroyers was recounted by Rome. Twin flotillas, strongly flanked by warcraft, were said to have been spotted moving eastward through relatively narrow and dangerous waters somewhere in the triangle formed by Sardinia, Sicily and French Tunisia.

Only a major movement would seem to justify naval protection of that character. Just why heavy convoys of British troops or supplies should be traveling eastbound in those waters is difficult to see in any case. The Italian claim that the action took place on the Italian side of the Mediterranean waistline, between Sardinia and Sicily, instead of off the African coast, makes it all the more difficult to explain.

The Sicilian straits, which have been sufficiently dominated by axis air power to be used to ferry reinforcements to Libya for Rommel's new offensive, would not seem to be the logical route for bolstering imperial forces in eastern Libya. It seems hardly possible that as huge a sea movement as Rome indicates could have been expected to slip through undetected.

There is no doubt, however, that a furious sea-air battle of some sort has been fought in Italian waters, so to speak. Rome admits the loss of 21 planes, while claiming 15 British aircraft downed, seven British naval and supply ships sunk and many other vessels badly damaged.

There is at least a suggestion of a British attempt to seize a shore base somewhere in Italy or possibly to land forces in western Libya in rear of Rommel's fully engaged axis armies trying to break through to Tobruk, hundreds of miles to the east. Success in either case would virtually cut Rommel off from his supply lines since the British navy and air force control the eastern Mediterranean.

Fire Destroys Tacoma Mill

Power Plant Blast Starts Blaze in Lumber Company

TACOMA, June 15—(AP)—The main plant of the big Henry Mill and Timber company on the waterfront was destroyed by fire early Monday night and an explosion soon after the outbreak of fire wrecked the company power plant.

A. W. Stone, company office manager, estimated the loss at around \$300,000, partly covered by insurance.

Stone said the fire mysteriously started on the side next to the water and that by the time the night watchman turned in the alarm the power plant blew up, spreading the flames through the entire structure.

Nine fire fighting companies and a fire boat were called out to fight the flames. No one apparently was injured in the fire. The day shift had just gone off duty. Firemen saved adjoining warehouses.

The company had been working on thousands of dollars worth of defense contracts but most of this material was in a pre-fabrication plant and another adjoining new building. Stone said he did not believe work on the defense contracts would be delayed since it consisted largely of pre-fabricated material.

It was the second disastrous fire in Tacoma this month; two weeks ago a big lumber and wood plant at nearby Day island was destroyed with a loss of \$200,000.