

The Oregon Statesman

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Dimout
Thur. sunset 7:11
Fri. sunrise 7:29
(Weather on page 7)

NINETY-SECOND YEAR

Salem, Oregon, Thursday Morning, March 11, 1943

Price 5c.

No. 762

Today's Games

3:00--Eugene (6) vs. Klamath Falls (7).
4:15--Oregon City (4) vs. Pendleton (2).
7:30--Salem (8) vs. Astoria (5).
8:45--Baker (1) vs. St. Helens (3).

Vik-Astoria Tiff Tonight

Oregon's 24th annual state basketball tournament raises the curtain on its colorful cage show on Willamette pavilion at 2 p. m. today. Eight class "A" and four class "B" teams hoop it off for the state title today. Friday and Saturday, with the championship game scheduled for Saturday night.

Salem and Astoria, whose teams are almost as annual as the blue ribbon classic itself, clash tonight at 7:30. Other games today pit Klamath Falls against Eugene at 3 p. m., Oregon City against Pendleton at 4:15 and Baker against St. Helens at 8:30.

British Force Tests Trapped 'Desert Fox'

Montgomery Assures Showdown; French Squeeze on West

By HAROLD V. BOYLE

ALLIED HEADQUARTERS IN NORTH AFRICA, March 10--(AP)--Gen. Sir Bernard L. Montgomery's British Eighth army began testing Marshal Rommel's crippled tank forces Wednesday preliminary to a Tunisian showdown in which Montgomery promised to give the enemy a "bloody nose" now that he is "caught like a rat in a trap."

Rommel was on the defensive behind his Mareth line in southern Tunisia. He had lost 52 more precious tanks in vainly lashing out against Montgomery over the weekend, and now was feeling the rising counter-strength of the Eighth army which was probing and harassing for a blow expected to roll back the axis into a tighter pocket in central Tunisia.

French troops were menacing Rommel's western flank between Tezour and Gafsa, and allied pressure also was exerted on the axis lines of Col. Gen. Jürgen von Arnim in the north. Before Rommel's six attacks collapsed last Saturday against the Eighth army, General Montgomery had told his troops that Rommel was preparing to cripple himself and that then "it will be our turn to attack him."

"And having been crippled himself, he will be unable to stand up to our attack and we will smash right through him," the general was quoted as saying in a dispatch by Don Whitehead, Associated Press correspondent on the spot.

Thus the allied squeeze play on the cornered axis troops holding the eastern end of Tunisia appeared to be under way.

Allied patrols also were "extremely active" in northern Tunisia where the British First army is stationed, particularly in the Sedjenane area, a high command communiqué said.

In the area between these sectors US troops had recovered most of the ground lost recently to Rommel before the latter switched suddenly to the south against Montgomery's poised troops.

An official announcement said that another large axis merchantman in the convoy attacked by American bombers between Sicily and Tunisia three days ago had been destroyed, raising the total to three vessels sunk and four set on fire.

(The RAF hit three places in Sicily -- Palermo, Agrigento and Licata -- causing fires, a Cairo communiqué said.)

Chennault Leads New Air Theatre

Wednesday's outstanding development in the Pacific war was the disclosure that Brig. Gen. Claire L. Chennault had been put in command of a newly created China air command of the US air force, thus making China an air theatre separate from Burma and India and strongly indicating that Chennault's air would be much reinforced.

The US navy announced another series of air raids on Japanese positions in the Solomon area, two of them heavy attacks that left large fires on the important enemy air base of Munda. An ineffective Japanese raid on Guadalcanal was reported.

Legislature Ends Work on 59th Day

Soviets Capture Central Towns, Firm in South

Push Toward Smolensk Cuts Holes; Fierce Nazi Attack On South Sector Repulsed

By the Associated Press

LONDON, Thursday, March 11--Russian troops captured Bely and scores of other towns Wednesday in a smashing central front drive to knock out Smolensk, 80 miles away, while in the south Moscow said Thursday the Germans had lost 800 more men and 35 tanks in attacks which collapsed against new red army defenses below Kharkov.

The Russians also punched new holes in Nazi positions below Lake Ilmen on the front northwest of Moscow, capturing several more localities on the approaches to Staraya Russa, Nazi 16th army headquarters, a midnight bulletin disclosed.

German recovery of approximately 100 miles of strategic territory in the Ukraine around Kharkov, admitted by Moscow Tuesday night, had threatened to overshadow the continuing red army successes on the central front, but the latest bulletin indicated the Russians now were holding firm there.

South and southwest of Kharkov, said the communiqué, "our troops repulsed fierce attacks of enemy tanks and infantry."

Nine of the 25 destroyed German tanks were knocked out in one sector of this front by a Soviet artillery ambush, others making "a hasty retreat," and in another area one red army formation alone killed the 800 Germans and destroyed 26 more enemy tanks in a successful stand.

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Army to Call More Doctors

CHICAGO, March 10--(AP)--During 1943 the army plans to commission 6900 physicians, 3000 internists and resident doctors from hospitals, 4800 dentists and 900 veterinarians, the Journal of the American Medical Association announced Wednesday.

Under a new procedure, the announcement said, none will be commissioned until he has been declared "available" by the procurement and assignment service of the war manpower commission. The surgeon general of the army has discontinued all medical recruiting boards.

Most of the new army doctors will be obtained from 20 states and the District of Columbia, some states already having filled their quotas.

The 20 states where physicians will be procured were listed as California, Colorado, Connecticut, Illinois, Iowa, Maryland, Massachusetts, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Vermont and Wisconsin.

Victory Fund Committees Of 4 Counties Meet Here

Meeting in joint session at the Marion hotel tonight, approximately 65 members of the victory fund and war savings bond committees of Marion, Linn, Polk and Benton counties are to lay plans for the April bond drive, quotas for which are to be assigned shortly to the mid-valley counties, J. J. Ward, Marion county chairman, said Wednesday night.

Edward C. Sammons, chairman of the victory fund committee for Oregon, rated as one of the west's most dynamic and well-informed speakers on war finance problems, together with J. C. English and L. J. Wrench, local regional and assistant regional managers for the fund, are to attend the session, while Wilbur Carl of Portland is to represent the state war savings bond staff.

Oregon to Get Midwest Families

OKLAHOMA CITY, March 10--(AP)--One hundred Oklahoma farm families within the next two or three weeks will be offered free trips to Oregon and Washington for resettlement in labor shortage areas, farm security administration officials disclosed Wednesday.

Ted Watson, regional FSA official, confirmed by telephone from Dallas reports the federal agency planned to recruit "under employed" Oklahoma farm labor for transfer to the west coast.

Watson, adding he had authority to recruit 300 Texas families also, said the FSA believes Oklahoma has enough farm labor if it is used in maximum production rather than in so-called subsistence or seasonal farm work.

The government plans to pay expenses of moving the families and probably will allow them to take a "reasonable amount of household furnishings. Fifty families are to go to Washington and 50 to Oregon, Watson added.

"The head of the family will be guaranteed a minimum of \$80 a month for nine months of the year," the official explained. "Other members of the families will be able to find seasonal employment, and probably to boost the average earnings to \$200 or \$100 a month. The families will be furnished with housing, a garden, chickens and a cow. Fruit will be given them, or furnished cheaply."

Faster Draft Of 3-A Hinted In Committee

WASHINGTON, March 10--(AP) A hint that the current rate of draft inductions may be speeded up came Wednesday in a statement from Charles P. Taft, assistant director of the office of defense health and welfare services, that all 3-A registrants may be inducted by mid-summer.

When Chairman Paul V. McNutt of the war manpower commission disclosed last month that

WASHINGTON, March 10--(AP)--The senate agreed to vote Thursday (at 11 a. m. PWT) on legislation to defer essential farm workers from the draft. The vote will occur on a substitute offered by Senator O'Mahoney which would direct selective service boards to defer full-time farm workers who produce stipulated quantities of vital crops.

the induction rate was 12,000 a day it was indicated the 3-A class, composed of men 18 to 38 with dependents, would not be exhausted before the later part of the year.

Taft's estimate, based on "what the selective service people told me," was given a senate appropriations committee last week.

It was reported to the senate Wednesday as that body debated proposals for deferment of farm workers coincident with these developments elsewhere on the labor and manpower situation:

1. Senator Downey (D-Calif.) said "while there is talk of about

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Salem, Aumsville Soldiers Missing

WASHINGTON, March 10--(AP) The war department Wednesday announced the names of 343 American soldiers listed as missing in action in the European, middle east, north African, North American and south Pacific areas, and at sea in the north Atlantic. Next of kin live in 42 of the states.

Wednesday's list included for Oregon: European area: Staff Sgt. Carl E. Olson, Jr.; sister, Mrs. Donald M. Hatch, route one, Aumsville. Pvt. Richard P. Demm; mother, Mrs. Alma M. Demm, 1465 Center street, Salem. Pvt. Charles A. Hixon; father, Hayden E. Hixon, Bonanza. Cpl. Robert S. Ferdue; mother, Mrs. Ethel Ferdue, box 17, Roseburg.

FR Shows Security Blueprint

Resources Planning Board Proposes 'Partnership'

By WILLIAM T. PEACOCK

WASHINGTON, March 10--(AP)--President Roosevelt Wednesday laid before congress a vast new cradle-to-grave program of social security and a blueprint of a post-war America in which the government would be in partnership with many businesses and labor would share in industrial management. (See also story on page 2).

The far-reaching proposals are products of the national resources planning board, which contended that with proper planning the nation may hope for a life of abundance unparalleled in all history.

Mr. Roosevelt asked "full consideration" at this congressional session of the steps proposed. In a letter of transmittal, he told the congress:

"We fight today for security for our nation and at the same time we can endeavor to give our citizens and their families security against attacks from without, and against fear of economic distress in old age, in poverty, sickness, involuntary unemployment, and accidental injuries. We need to look forward to the accomplishment of these objectives--world peace, democratic society and a dynamic economy."

But there was little immediate enthusiasm manifest in congress. Chairman George (D-Ga.) of the senate finance committee, which would consider such legislation, said he did not believe congress would be ready to proceed at this session with broadening the social security system.

The national resources planning board is headed by Frederic A. Delano, the president's uncle. The board recently has encountered difficulties in congress, where funds to keep it going after next June 30 have been rejected by the house and by a senate committee.

The proposals are contained in two reports. The one dealing with social security is entitled "security, work and relief policies." Somewhat larger in form than the average metropolitan telephone directory, it is 640 pages long, printed in double columns on slick paper.

The second document was entitled "National resources development--report for 1943" and in some respects took on the nature of a supplement to the first. Thus it suggested that "equal access to education" should be a post-war aim, adding that on the college level this might be attained by grants to students or work opportunities.

"Security, work and relief policies" reviews the general history of relief and social security for the past 10 years.

Highlights of proposals Wednesday by the national resources planning board: SOCIAL SERVICES: Benefit payments to workers (Turn to Page 2--Story B)

GOP to Seek Ruml Passage

WASHINGTON, March 10--(AP) House republicans will hold a conference Monday to array party strength in an effort to pass the Ruml pay-as-you-go tax plan, it was learned Wednesday night.

Rep. Martin of Massachusetts, the republican leader, announced the conference and other prominent republicans said it will seek to put the party's representatives behind the plan to skip an income tax year in arriving at a current-payment basis.

The republican meeting was arranged shortly after the house ways and means committee, following weeks of study, approved a compromise income tax collection plan putting pay-as-you-go on an optional basis for taxpayer, without any tax statement, and imposing a 20 per cent withholding levy against the taxable portions of pay envelopes and salary checks.

Special Election Denied Sales Tax; Occupation Disease Bill Approved

Auto Driver's Responsibility Bill Enacted

Barber Pricing Gets Oked; Social Security Barred

By STEPHEN C. MERGLER

Labor's long-sought occupational disease law passed both houses of the legislature in the closing hours Wednesday along with the much-disputed automobile drivers' responsibility act, the barbers' minimum price bill and a series of lesser workmen's compensation proposals.

The state social security bill which the house passed, possibly with the expectation that it would not get through the senate, was tabled in the upper house with the explanation that its proponents agreed it contained "serious defects."

Consistent employer sentiment in opposition to the limited jury trial provision in the occupational disease law resulted in its being stricken from the bill in the house. Sens. Walsh and Wallace receded from their demands for retention of the jury trial proviso and the house yielded to pressure for determination of injuries by three doctors, one named by the employer, one by the injured workman and the third neutral, in lieu of a panel of medical men.

Walsh, author of the bill, declared "three quarters" of its value had been saved. The bill defines occupational diseases as accidental injuries for which compensation may be collected under terms of the workmen's compensation act. A measure with similar purpose lost out in the closing hours of the 1941 session.

The barbers thought their battle for price-fixing as good as won until it reached final passage in the senate bearing house amendments. Sen. Wallace, spokesman for the bill, neglected to ask a call of the senate and failed by one to muster the necessary majority of 16 votes. The senate refused its action, but reversed its position Wednesday night, suspended the rules and voted 18 to 12 in favor of the bill.

The act provides that upon petition of 70 per cent of the barbers within a specified locality the barber board shall hold hearings and set minimum prices for the various barber shop services within that area.

Attacked by Sen. Walsh as "rotten" and an imposition of penalties on innocent persons, the motor vehicle responsibility act passed the senate, 21 to 9. It would require motorists involved in an accident to give proof, such as bond, of their financial responsibility, to the secretary of state, who would be required, if they failed to do so, to revoke their licenses.

Lesser workmen's compensation measures passed included: Levying of small percentage charge on employers subject to the compensation act to pay for (Turn to Page 2--Story B)

Income Tax Grace Given

Fifteen days' grace was given state income taxpayers when the senate and house agreed Thursday to change the due date on first payments and filing of returns from April 1 to April 15. A proposal to give a discount to taxpayers paying for a year in full was eliminated. Quarterly instead of semi-annual payments also were authorized.

Hawaii Gains Back Powers

HONOLULU, March 10--(AP) War-struck Hawaii advanced another step toward normal Wednesday with the restoration to civil agencies of 19 governmental functions that have been under the control of the military since the attack on Pearl Harbor by the Japanese.

Marital law, however, remains in effect, along with the suspension of civil rights of habeas corpus.

The restoration became effective at a ceremony Wednesday in historic Iolani palace, ceremonies by Adm. Chester W. Nimitz, commander-in-chief of the Pacific fleet, that the enemy "still has the capacity to attempt a destructive raid." He said, however, that Hawaii had been "greatly strengthened."

The state social security bill which the house passed, possibly with the expectation that it would not get through the senate, was tabled in the upper house with the explanation that its proponents agreed it contained "serious defects."

House Affirms Lend-Lease

Year's Extension; Republican Rider On Payment Denied

WASHINGTON, March 10--(AP) A year's extension of the lend-lease act was voted overwhelmingly by the house Wednesday after it blocked a republican-sponsored attempt to state specifically that congress shall have the final say on what this nation will seek as payment for its wartime aid.

The 407 to 6 house vote sent the bill to the senate, whose foreign relations committee Wednesday unanimously approved a companion measure--but with a warning that the senate expects major post-war economic agreements to be submitted to it as treaties. "We don't recognize the authority of the lend-lease organization to make commitments binding the United States as to post-war economic policy," Chairman Connally (D-Tex.) said.

House approval of the extension came just a few minutes after rejection of a rider which might have had, in months and years to come, a far-reaching effect on foreign policy.

Defeat of the rider--a major victory for the administration--(Turn to Page 2--Story F)

Appeal Voiced As Red Cross Fund Short

An appeal to the people of Salem to consider seriously the situation facing the American Red Cross war fund campaign committee was sounded Tuesday by Judge George Rossmann, chairman of the Marion county chapter.

Said Judge Rossmann: "Our drive for funds needs larger contributions--not only from the thousands who have not given, but also from hundreds who have given only a dollar or two and who can afford to give more."

"The Red Cross badly needs the amount we are endeavoring to raise. Every dollar of it will be spent wisely and frugally in humanitarian work. But the required amount will not be raised unless those of us who can give \$5, \$10 and similar amounts do so."

"I sincerely hope that every friend of the American Red Cross, and of the boys in uniform, will give once more. The solicitors are obtaining plenty of memberships; but this is wartime, and what we need and need badly are wartime contributions." Salem is short \$11,231 of its quota of \$31,000 while 38 per cent of the solicitation field remains to be covered, War Fund (Turn to Page 2, Story G)

Tieup in House Delays Sales Tax Vote Set

Session Shortest Since 1937; All Business Cleared

By RALPH C. CURTIS

Dramatically as it has opened, Oregon's 42nd regular legislative session ended Wednesday night, officially at 11:30 o'clock but actually at 11:41, having in its closing day submitted a sales tax measure to the voters but failed--and therein lay the drama--to provide for a special election.

Throughout the final few hours, save for adoption of a few conference reports ironing out differences between the two branches, the legislature was deadlocked--as it had been on the two opening days. But this time the deadlock centered in the house of representatives and the senate cooled its heels.

At the center of the controversy was the special election bill, passed 22 to 8 in the afternoon by the senate. It had been amended there to provide for the vote on November 2, 1943, instead of September 28, after Sen. W. E. Burke had objected to holding the election in the midst of harvest work.

The house battle began the moment the bill was read for the first time in that branch. A motion to expedite it to second reading, by suspending the rules, was blocked for lack of a two-thirds vote; the count was 32 to 28 in favor of the motion.

Thereafter the opponents, animated by a belief that the war effort should not be impeded by a political campaign this year, fought off a half dozen motions to suspend the rules but failed three times to win indefinite postponement. This group was led--more or less--by Rep. Giles French, J. D. Perry, H. H. Childgren and Leo Smith. Reps. John Steelhammer and John Hall were most active in pressing for the bill's passage.

The count fluctuated on succeeding ballots and proponents managed to get the bill to second reading by a 40-26 vote but was balked again there until opponents were convinced they had enough votes to defeat the measure. Then they permitted the rules to be suspended and on the one "third reading" ballot, precisely at 11 p. m., they won out, 31 to 29. Proponents still had another trick in reserve. Rep. Steelhammer changed his vote and--after the customary group singing which marks the session's end--moved to reconsider.

The clock was then ticking (Turn to Page 2--Story E)

J. P. Morgan Said Rallied

BOCA GRANDE, Fla., March 10--(AP)--J. P. Morgan rallied Wednesday from a heart attack which caused great concern to associates of the 75-year-old financier.

Latest word from his sickroom in a cottage at the ultra-exclusive Casparilla inn was of "a slight but definite improvement." He had passed a good night.

"Late afternoon bulletin from the banker's New York office said: 'The improvement reported this morning in Mr. Morgan's condition has continued during the day.' Two of his daughters were at the bedside, but Morgan's condition had improved so much in the past two days that his son, Henry Sturgis Morgan, and a Tampa heart specialist, Dr. William C. Blake, felt safe in leaving the island where the international banker had planned to rest."