

The legislature in 1941 made an appropriation for the use of the state board of control in purchasing farm lands in growing vegetables and other crops to supplement production on the bench lands near the hospital and at Cottage farm. Lands that could be irrigated were desired, and after a careful check of available acreages the board purchased 400 acres in Polk county on the river bottom below Eola. Part of this land has been leased by the hospital for many years and was known as the Colony farm. The investment was \$60,000.

Sec. Roy Mills of the board of control has given me production figures for the land for the two seasons. For the first year the gross income was \$28,914. For 1943 the gross was \$41,752 to which should be added \$750 income from rent of a portion of the tract, or a total of \$42,502. Some produce was sold, the rest was used and is priced at market prices.

As most of the work is done by inmates of the hospital the expense was not large; so it is evident that the state has profited by the purchase. Of course farm prices have risen, but the state would have had to buy the vegetables, fruits, etc. if it had not grown these crops. Next year it is expected that the income will be larger because the state acquires for the first time full possession of 30 acres now in hops and has contracted to sell the hops on favorable terms.

Just to show the variety and volume of production as well as its worth I add the crop report for 1943 as given by the board of control office: (Continued on editorial page.)

Rent Control Group to Chase Landlords

Salem's new rent control commission is not waiting for registrations to determine who are the city's owners of rental property but is preparing now a list to be checked against registrations this weekend to determine who has violated the new ordinance by failing to file with the rent control office, Merrill D. Ohling, chairman, revealed Tuesday.

"We are going to issue warrants for arrest and put them in the hands of the police for anyone who haven't registered by deadline time," Ohling declared as he pointed out that by Tuesday only 327 Salem landlords, or less than 25 per cent of the total, had registered their properties.

Tarzan's Spouse Seeks Divorce

LOS ANGELES, Dec. 28 (AP)—Johnny "Tarzan" Weissmueller today was sued for divorce by the former Beryl Scott, San Francisco socialite, who charged that he treated her with "grievous cruelty." They separated December 20. Mrs. Weissmueller requested all their community property, valued at \$200,000, and \$1650 monthly alimony and custody of their three children, John Scott, 3, Wendy Ann, 18 months, and Heidi Elizabeth, 5 months. She estimated the actor receives \$30,000 annually for his movie work.

Gov. Snell Says 'Walker Plan' Modification Wouldn't Go Far

By RALPH C. CURTIS
Even if the legislature in special session would, and could in time, modify the "Walker plan" of income tax reduction so as to collect next year \$10,000,000 or \$15,000,000 additional to finance postwar projects, that sum would not go very far toward amelioration of the maximum unemployment a sudden cessation of the war might create, Gov. Earl Snell told a committee of Multnomah county legislators which conferred with him here Tuesday.

Conceding that this and the other "emergencies" pointed out by the delegation deserved serious consideration, Gov. Snell indicated that he would confer with the taxation committees of the legislature to determine whether a definite program could be worked out, sufficiently worthwhile to warrant calling a special session. On the basis of the present outlook, a special session is not warranted, he flatly declared.

Not all members of the committee of five positively advocated a special session. They were near

Weather
Tuesday maximum temperature 47; minimum 30; river 3; rainfall, none.
Cloudy Wednesday and Thursday. Occasional snow flurries over mountains in extreme southwest portion. Little temperature change.

Army Controls All Carriers

Roosevelt Express Hope for Privat Operation of P Lines

By William J. Coeck

WASHINGTON, Dec. 28—(AP)—Hope that the railroads can be turned back to private operation soon was expressed by President Roosevelt today as the army, on his orders, extended its control to all major carriers and prepared to use troops to run trains if necessary.

Mr. Roosevelt was not specific at his press-radio conference, however, as to the surrender conditions.

He was asked if the carriers would be restored to private management if the three operating brother-

Steel Workers' Hopes Mount For Settlement

PITTSBURGH, Dec. 28 (AP)—

Most of the more than 170,000 steel workers idle since midnight December 24 returned to their jobs today, with some of their leaders claiming victory in the first round in the battle of the CIO United Steel Workers union for a wage boost of 17 cents an hour above the ceiling fixed by the "little steel" formula.

Reports from nine states where scores of mills were closed showed more than 125,000 had returned by nightfall with others expected back when operating conditions permitted.

The American Iron and Steel Institute in a tentative estimate said about 125,000 tons of steel was lost by the work stoppages.

Philip Murray, president of the (Turn to Page 2—Story G)

Smuts Suggests New League Bar Enemies

NEW YORK, Dec. 28 (AP)—

A new and uncompromising league of nations which would bar membership of enemy countries "until they have been cured of their dangerous obsessions and distorted outlook," was urged today as a basis for permanent world peace by Field Marshal Jan Christian Smuts.

The 73-year-old premier of South Africa proposed that the league serve as a model when the "big four" of the United Nations—the United States, Britain, Russia and China—assume leadership and responsibility for defense of the peace to come "while the new world organization is being built up."

Smuts, a member of the British war cabinet, proposed that the defeated enemy nations be placed "under proper guardianship" for a "period of convalescence," which he said would "do them good," before they could be admitted to the new organization.

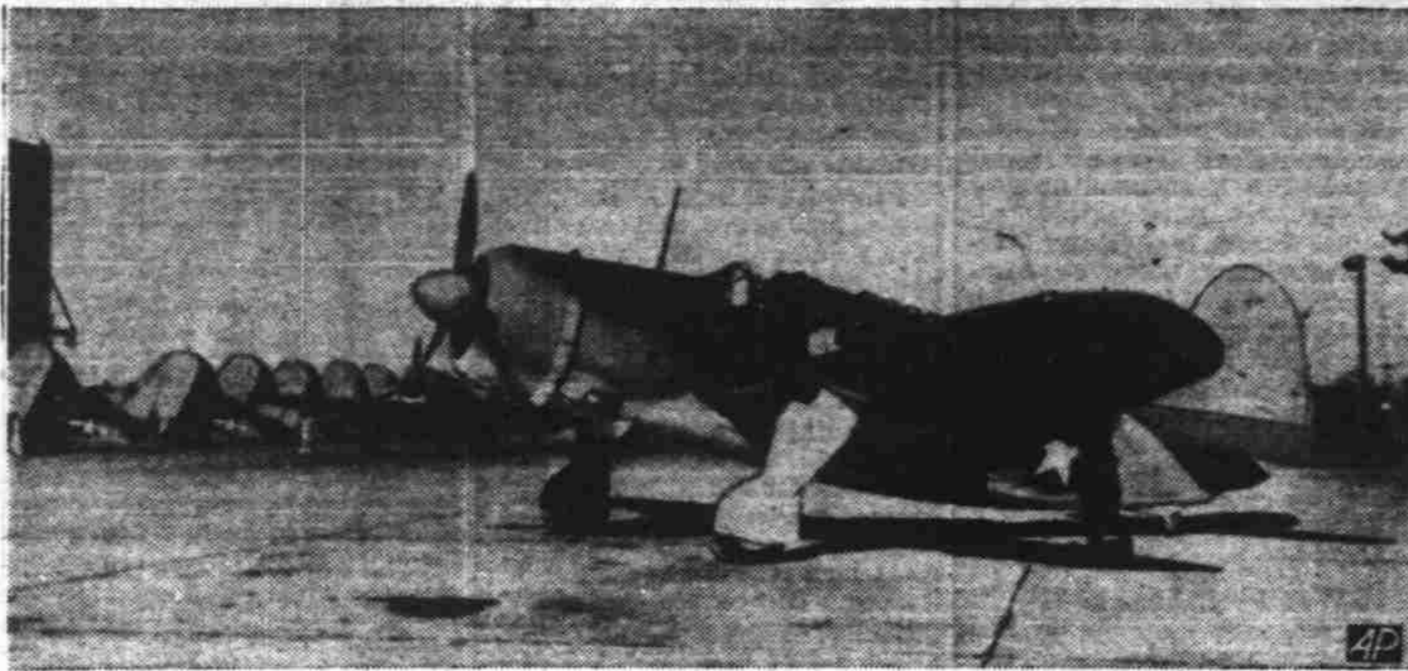
The premier, who sat at the Versailles peace table, assailed critics who held the covenant of the league had gone too far.

unanimity however in asserting that 75 per cent income tax reduction scheduled for 1944 by the tax commission in line with the Waler formula was much deeper than the legislature contemplated. Issues of the 1943 session were rebuffed as Rep. John Hall accused the tax commission of "misleading" the lawmakers by predicting income and excise tax receipts of \$13,000,000 for the current year, when as it has turned out they are nearer \$21,000,000.

Sen. Coe McKenna listed, as projects upon which the state might profitably expend the additional funds, construction of new and fire-safe state hospital and penitentiary buildings, stream purification on a statewide basis, reforestation, and vocational retraining of shipyard workers to fit them for other employment.

McKenna said it was true that he proposed to advocate a special election on the sales tax bill which he fathered in the regular session, believing it should not be voted on at the time of the general election; but that he would refrain (Turn to Page 2—Story F)

Hell Diver Warms Up for First Flight



Test experts at the Curtiss-Wright factory, Columbus, Ohio, prepared one of the navy's new super dive bombers, a Hell Diver, for its first flight. Other Hell Divers are in the background with wings folded. This plane, intended for use on all types of carriers, boasted new diving flaps, folding wings and wing tip slats and carries two bombs instead of one. (AP wirephoto.)

Reds Take Korostishev, Near Rumanian Border

LONDON, Wednesday, Dec. 29 (AP)—

The Soviet second Ukrainian army, sweeping through 60 more communities in its fast-moving winter offensive, has forced the Terev river and captured Korostishev, 16 miles east of Zhitomir, in fierce street fighting and at the same time is pushing southwestward toward the border of Rumania, 115 miles away.

Another important Russian shock force beat back 18 German

counter attacks and killed more than 1200 Germans as it captured several populated places in northern White Russia, who were bearing down toward this German fortress from the north and east, were five miles away in one sector.

Far to the north, in the Dnieper bend, more than 33 German tanks and 1000 men were destroyed after a tense engagement north of Kirovograd in which a German attack with large forces of infantry and tanks cracked up against a deadly Russian artillery and mortar barrage.

The Moscow midnight communiqué, recorded by the Soviet monitor from a broadcast, said the Germans were forced to withdraw to their original positions in this area.

In the Kiev area the soviet offensive, now in its sixth day, has wrested back fully half the ground the Germans had painfully won in six costly weeks of counter-offensive.

The Germans were falling back so rapidly they were forced to abandon 76 big guns, 10,000 mines, 30,000 shells, nearly a million cartridges and 100 trucks to the Russians, who also took a considerable number of prisoners. Thirty-six German tanks and self-propelled guns were destroyed and six were captured.

The Moscow daily radio communique reported at least two more towns captured to the south (Turn to Page 2—Story E)

British Give Scharnhorst Sinking Tale

By ROGER GREENE

LONDON, Dec. 28 (AP)—Germany's 26,000-ton battleship Scharnhorst, outwitted and trapped, sank in the Arctic sea under murderous salvos and torpedoes from the mighty battleship Duke of York and a force of royal navy cruisers and destroyers.

A flaming salvo from the cruiser Norfolk sent the Scharnhorst fleeing into the Arctic muck; a broadside from the 35,000-ton Duke of York sent her reeling desperately; then four destroyers trapped her and slowed her with three torpedoes and finally the cruiser Jamaica moved in with the salvo that sent the Nazi raider to the bottom.

An admiralty communique gave the official British version of the day-long battle Sunday—the most dramatic surface battle since the destruction of the Nazi battleship Bismarck in May, 1941—and disclosed that the home fleet suffered only a few casualties and slight damage. The Russian-bound convoy the Scharnhorst attempted to attack escaped unharmed. Some survivors of the sunken German battleship were picked up.

At least four destroyers in two main formations and four cruisers trapped the Nazi vessel and hounded her into position for a crippling blow from the Duke of York, which was covering the convoy from a distance.

The British force was under the immediate command of Admiral Sir Bruce Fraser who was aboard the Duke of York.

Paul Lukas was voted as the best actor by the critics for his performance in "Watch on the Rhine," while the choice for the best actress was Ida Lupino for her role in "The Hard Way," another Warner production. George Stevens was named the best director by the critics for his work on "The More the Merrier," the Jean Arthur-Joel McCrea comedy produced by Columbia Pictures.

US Weapons, Carriers Flay Japs, Knox

By HAMILTON W. FARON

WASHINGTON, Dec. 28 (AP)—American secret weapons, plus the world's largest fleet of aircraft carriers, are driving the Japanese back from bases captured in the Pacific.

This was disclosed today by Secretary of the Navy Knox who revealed at the same time that an American destroyer was sunk and a small coastal transport damaged by enemy bombs Sunday in the invasion of Cape Gloucester on New Britain island. That landing is part of the campaign to knock out Rabaul, Japanese key base in the south Pacific.

The destroyer was not identified nor was Knox able to give the number of casualties. The sinking of the destroyer brought to 134 the number of American naval craft lost since the war started.

Knox provided little information on the secret weapon or weapons which he said the navy has developed during the last year and put into service against the Nazis and the Japanese.

"In the field of new weapons, or secret weapons," he said in reviewing the year, "the navy has by no means been idle. The Japanese especially have felt the sting of weapons which although greatly improved, nevertheless are of conventional types. Japanese and (Turn to Page 2—Story H)

'Watch on Rhine' Chosen Best

NEW YORK, Dec. 28 (AP)—

Selection of Warner Brothers' "Watch on the Rhine" as the best motion picture of 1943 was announced today by the New York film critics.

The president said a new doctor—Dr. Win-the-War—was called in to take care of the United States after the war started because old Doctor New Deal, a specialist in internal disorders, wasn't equipped for the emergency job.

He said Dr. Win-the-War now has the patient back on his feet but he won't be fired until the war is won.

"Doesn't this all add up to a fourth term declaration?" a reporter asked during a news conference discussion of the administration's farewell to its "new deal" slogan.

Obviously irritated, the president said the fourth term hadn't been under discussion and described the question as piousness. Then, smiling once more, he described the word piousness as a grand one and said he knew the questioner wouldn't mind because he had to say something like that.

"I don't mean to be piousness," a woman reporter put in, "But I'm not clear about your parable. I always thought of the new deal as dynamic. Do you have to leave off to win the war, or was the patient cured?"

The president replied that the new deal was called into take care of the nation's internal ills in 1933. After the war, he said, there will have to be a new program to meet new conditions.

It is clear, he added, that we must plan so the conditions of 1932 won't come back.

US Tanks Move To Airdrome On New Britain

By LEONARD MILLIMAN

Associated Press War Editor
Tank-paced American marines have driven to within a mile and a half of New Britain's strategic Cape Gloucester airdrome, Gen. Douglas MacArthur announced Wednesday.

On other fronts of the widely scattered battle of the Pacific, the navy announced, bombers again raided the Japanese-held Marshall islands while submarines penetrated deep into enemy waters to sink 12 more ships, badly needed for Japan's extended supply lines.

In the newest big air battle of the southwest Pacific, 37 Japanese planes were shot down over the Arave sector of the southwestern shores of New Britain, while American infantry pushed back new enemy counterthrusts.

On the northwest shores of New Britain, marines beat off four strong Japanese counterattacks in their four and a half mile advance toward the Gloucester airdrome, within easy range of primary Japanese holdings on the Bismarck archipelago.

US Seventh air force bombers carried the raids on the mid-Pacific Marshall islands into the 19th consecutive day, blasting the airdrome and anchorage at Wotje atoll Sunday with 50 tons of bombs. Simultaneously, Adm. Chester W. Nimitz announced Tuesday that (Turn to Page 2—Story C)

Doolittle Takes Air Command In Britain

By W. H. MOBLEY

WASHINGTON, Dec. 28 (AP)—Maj. Gen. James H. Doolittle, whose strategic air force slammed a gate across the enemy's supply routes and smashed his bases behind him to make Tunisia a trap for Nazi armies, is taking over direction of American air forces in Britain as the time for cross-channel invasion approaches.

The assignment was announced by President Roosevelt today along with other major shifts in the high command, including assignment of Lt. Gen. Jacob L. Devers, former American commander in the European theater, as commander of American forces in the Mediterranean area and deputy to Sir Henry Maitland Wilson, over-all commander there.

The president announced only that Doolittle had been shifted to head the 8th air force there. But with American strategic bombing of Germany from Britain or any other base already assigned to Lt. Gen. Carl Spaatz, and over-all air command in the invasion from Britain in the hands of Air Marshal Sir Arthur Tedder, the prospect arose that Doolittle's chief assignment might be the tactical task of hammering out an invasion road barely ahead of the landing barges and holding an air umbrella over them.

Yes, There Are Nylons, But—

FORTLAND, Dec. 28 (AP)—There's nylon hose to be had, girls—but don't rush. You'll have to pay from \$5 to \$8 a pair, find the black market that carries it, and dodge the law, to boot.

But the coveted stockings are around, McDannel Brown, chief district office of price administration (OPA) enforcement attorney, disclosed today. The black market for the hose, believed smuggled from Mexico, is not extensive here and no arrests have been made, he said.

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Germans Claim Ortona Fallen To Canadians

Fresh Division Uses Flame-Throwers to Halt Advance of Allied Troops

By Wes Gallagher

ALLIED HEADQUARTERS, Algiers, Dec. 28—

(AP)—The Germans threw another fresh division into the mud and blood of the Italian front today in a desperate effort to halt relentless allied attacks which are prying the Nazis loose from their grips on the road to Rome and on the flaming, flattened port of Ortona on the Adriatic sea.

(Tuesday's German high command communique said Nazi troops had evacuated the ruins of Ortona and had taken up new positions northwest of the town after inflicting heavy losses on attacking Canadian forces. Hours afterward there was no confirmation from allied headquarters.

Fourteen German divisions (perhaps 200,000 men) now are known to be engaged in the fighting across Italy. Yesterday the enemy employed great numbers of flame throwers all along the Eighth army front and literally established a wall of fire before Canadian infantry and tanks fighting forward in the northern outskirts of Ortona.

An allied field dispatch said German troops still clung to a few buildings at the city's edge after a solid weeks of house-to-house fighting, but were being gouged out methodically. Ortona, now a shambles, was a small town of 9000 before the war swept through its streets. It is 11 miles down the Adriatic coast from the major port of Pescara, main objective of the Eighth army's drive up Italy's east coast.

American troops of Lt. Gen. Mark W. Clark's Fifth army looked down from the last dominating heights of the Samuro mountain range into the streets of the fortified village of San Vittore, six miles east of Cassino, and prepared for another vicious battle to wrest this key point on the Via Cassina from German hands.

After ousting the Nazis from the last two peaks on Samuro and firmly consolidating their hold on this important feature, American patrols pushed down the southwest slopes to learn that San Vittore was elaborately defended from that side, as well as from its Libri valley approaches. The village must be taken before Clark's troops can plunge on toward Cassino, which is 70 miles by broad highway from Rome.

Southwest of Castel San Vincenzo, near the center of the Italian front, a fierce battle was reported raging for a ridge called Catenella Degli Mainardi. Other allied troops seized a height in (Turn to Page 2—Story B)

1252 Missing From Schools

Salem school absences totaled 1252 Tuesday, in comparison with Monday's high of 1285, Supt. Frank B. Bennett reported Tuesday night to directors. Absences in considerable number may be anticipated during the next three weeks, he said the Marion county health department had advised, although indications are that the heaviest of the influenza is probably past.

Mrs. Mildred Query, who has been on leave, will return to the system next week to replace Miss Lucille Grant, who has resigned as first grade teacher at Highland.

Allied European Air Raid Thought Started

LONDON, Wednesday, Dec. 29 (AP)—Seven axis continental radio stations went off the air last night, indicating an allied air raid on German-held Europe.

The stations were located at Luxembourg, Friesland, Bremen, Calais, Paris, Hilversum and Lille.

Taxpayers to Vote in Spring, Postwar School Building Plans

Postwar plans of the Salem school board, presented to and approved by representative citizens from 14 organizations at a two and one-half hour session Tuesday night, will go before taxpayers of district 24 next spring as first steps toward the dual financing are taken.

The taxpayer vote is continuing upon formal school board action. However, consensus of opinion last night was that the establishment of a sinking fund should be proposed by ballot, such a fund probably to be raised by a levy not to exceed the six mills cut from the levy by the income tax offset the past year.

Six mills levied over the next five years would raise, upon the current tax base \$540,000. Should the city's population expand to 50,000 within the next 10 years this sum would not be sufficient to provide all the needed system improvements and the second method of financing, the bond issue, would be required. By 1950, Salem school district's bonded indebtedness will be wiped away under the current scheme of payment. Today it is approximately \$411,000. Total which may be raised by bonds is \$900,000.