WEST SALEM CANNERY BURNS; \$500,000 (Story in Cols. 7 and 8)





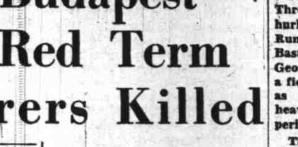
The only prediction it seems safe to make for 1945 is that there will be two eclipses of the sun and two of the moon, and I borrow this from the astronomers. All else is vague, the crystal ball cloudy.

Astronomers can

Fall of Budapest Near; Red Term **Bearers Killed**

Shoe-Leather Steak Gets Royal Welcome From Silverton Man

SILVERTON, Dec. 30-(Special) Pfc. Arlo Bolme has written his father, Oluf Bolme, that he recently tasted beefsteak for the chart the first time in many months. He of the stars and date the added that it was as tough as shoerising of the sun or the coming leather, but none of the men mindof an eclipse to a second. Perhaps ed so long as it was meat. Priit was this discovery of certainties vate Bolme has been in the Dutch been overseas for 12 months.



By Richard Kasischke LONDON, Sunday, Dec. 31 -(AP) The hopelessly outnumbered and surrounded German garrison in Budapest's battle-torn streets ha refused a Russian surrender ultimatum, killing two red army emissaries carrying a white flag, among celestial bodies which East Indies for some time. He has and the annihilation of a group originally estimated at nearly 100,000 men now is in its final

night.

Corridor **Salem Residents Experience** Driest **Hit From All Sides**

Americans Hammer Heavily on **Enemy 'Bulge'**

NINETY-FOURTH YEAR

By Edward Kennedy PARIS, Sunday, Dec. 31.-(A)-Three German divisions have been George S. Patton's US Third army, past two years.

as American troops hammered heavily all along the shrinking perimeter of the German budge.

Annihilation of **Budapest Enemy Near Final Stage**

gathering for new thrusts

George II Year in 7 Years Salem residents in 1944 experienced the driest year for the past seven years, with only 25.13 inches rainfall registered at the airport weather bureau. However, 5.27 inches fell in January and 4.30 inches in November. This compares with an all time average precipitation for Salem and vicinity of 36.13 inches per year. Coldest days in 1944 were Jan-

from Manchuria in an effort to

The American commander's

communique said Gen. Tomovuki

Yamashita had lost in the futile

defense of Leyte four army divi-

sions and the elements of two

more, besides a naval brigade

was reflected in a recapitulation

For 1941, the Oregon States-

stop him on Leyte island.

and other special forces.

the war.

uary 9 and December 14 and 15 when minimum temperatures of 20 degrees were registered.

Warmest day was on Septemhurled by Field Marshal Karl Von ber 5, with a maximum reading Rundstedt at both sides of the of 103 degrees. This was the high-Bastogne corridor held by Lt. Gen. est maximum temperature in the

a field dispatch reported last night **Manchuria** Nips

The hard-won corridor supply-**Used in Effort** ing Bastogne was hit by two of Von Rundstedt's divisions from the west and by a third from the east while in Bastogne itself US artil-To Halt Yanks lerymen poured withering shell-

fire into the 16-mile-wide escape gap of the Germans' hour-glass GEN. MacARTHUR'S HEAD-QUARTERS, Philippines, Sunday, shaped front and blasted areas where the Germans, have been ew Mindoro - bound

Finally **Gives** Up Monarch Won't **Return to Athens Unless** Called

> By John A. Parris, Jr. LONDON, Dec. 30.- (AP) -King George II of Greece tonight announced appointment of Arch-

The Oregon Co Statesman

FOUNDED

NAZIS STRIKE AGAIN

Salem, Oregon, Sunday Morning, December 31, 1944

1851

bishop Damaskinos of Athens as regent of his strife-torn country, taking a step generally regarded here as tantamount to relinquishment of his throne.

The 54-year-old monarch's road has been rocky for years and most observers in London's diplomatic quarters believe the Greek people, who are swinging to the left would vote against a monarchy in a plebiscite which is expected to be held. **Royal Proclamation**

Appointment of the regent was announced in a royal proclama-Dec. 31-(AP)-Gen, Douglas Mac- tion issued after a statement in Arthur disclosed today, while a Athens that the archbishop prob-

Greeks Get Regent Blue Lake Plant **Razed in Hour; Cause Not Known**

Price 5c

No. 245

Midnight Blaze Threatens Much Of Town as Embers Shower on **Homes; Canned Goods Explode**

More than a half million dollars went up in flames which razed the frame buildings of Blue Lake. Producers canning plant in West Salem in 60 short minutes this morning. Great embers dropped on frame residences over an area of several blocks and threatened the entire northeast section of West Salem.

Origin of the blaze was still undetermined at 1:30 a.m. as last of the great timbers was falling into the artiflery of



exploding canned goods. But a night watchman who discovered the first smoke at 12:30 said it was rolling over the office, coming apparently from the boiler room.

Idle Friday and Saturday, except for a labeling crew, the group of buildings mushrooming over a territory larger than an average city block were practically without heat, plant executives declared.

Third Big Fire

Third fire in West Salem within a three-weeks' period, second cannery blaze in the Salem district and third industrial loss of more than \$100,000 in rece

made ancients seek in the stars clue to the course of human events. In fact, astrology became a misbegotten child of astronomy. Alas for the "science" of astrology, man is less constant than Jupiter or Saturn. Homer called him "the fool of fate." His natural endowment of ability to think and freedom of conduct makes man himself a Variable. That is why prophecy in the field of human affairs is so risky; and the outlook for 1945 is so uncertain that a prophet must hedge his forecasts with the double talk of a Greek oracle, Nevertheless, I make bold to set down what seems in prospect as the new year drives the 1944 greybeard off the stage.

War: Instead of speculating on the date the war will end the American people are going to plunge in seriously to win the war. The "fright" stage which followed Pearl Harbor is over; the "soft" stage of easy going is ended; the tough stage is at hand, 1 (Continued on editorial page)

Watch Night **Parties Set**

Many Salem people will observe the old year out and the new year in at Watch Night parties scheduled in a score of Salem churches! Most of the other churches are marking the end of 1944 with yearend sermons scheduled for the morning services.

Among the churches which have scheduled watch night services from 8 or 9 o'clock until midnight are Bethel Baptist, Calwary Baptist, First Baptist, First Christian church, South Salem Friends, St. John's Lutheran, Mennonite Brethren in West Salem, First Church of God, Englewood Church of United Brethren, Balvation Army, and the Christian and Missionary Alliance.

Marion's Tin Goal 15 Tons Per Month

A monthly quota of 15 tons of salvaged tin has been set for Marcounty for the first quarter lon of 1945, Claud Seranous, state salvage committee chairman, Saturday notified Gardner Knapp, Marion committee head. The setting of quotas in tin salvage, a new system "designed to effect cessary increases," was decided on because "America's shortage of tin is a real, not an imaginative dition." Seranous declared.

Weather

Maximum temperature Satrday 47 degrees, minimum 32

Marion Share In Red Cross Set at \$73,500

F. C. Leserer, chapter war fund chairman, was notified Saturday.

remainder will go to the national declared war on Germany. The Red Cross so that Red Cross over- declaration, issued by a regime headquarters, has written to Les- gary into the war against Russia erer.

member in regard to the coming nazi regime on the country.

soldiers, food packages to prison-

flicted by sudden disaster.

Panama Head Won't Resign

BALBOA, Panama Canal Zone, Dec. 30 .- (AP)-President Richardo Adolfo de la Guardia of Panama declined tonight to resign as demanded by a group of political leaders, lawyers and business men known as the "juta de notables."

that de la Guardia was ready to of returning the country to normalcy.

However, de la Guardia told the junta de notables that unless all ministration demanded that he of New Year's day dinners. Most quit, he intended to remain in office until June 15.

Labor Asked to Stay **On Job New Year's Day**

WASHINGTON, Dec. 30-(AP)-CIO today asked organized labor to stay on the job in the nation's

Marion county's share of the national Red Cross goal in the up with the western invasion annual fund raising campaign set wing on Danube islands in the for next March is to be \$73,500, heart of the burning Hungarian capital. Of Marion's quota, \$33,500 will the new soviet-sponsored Hungargo to extensive Red Cross opera- ian government headed by Pretions carried on at home, and the mier General Bela Miklos had

seas and national program may be set up in Debrechen in eastern financed and expended, Verne Hungary and dated Thursday, Simmons, manager of Pacific area said that Germany forced Hunand "attacked and occupied" Hun-"The important thing to regary March 19, 1944, imposing a

appeal for funds," declares Justice George Rossman, Marion chapter chairman, "is that the money you give to the American Red Cross is returned to the people in the form of Red Cross serv- Pay Increase ices: Blood plasma to wounded

ers of war, advice and friendliness by specialized persons to servicemen away from home, patients in hospitals and persons af-

an hour.

products.

Earlier the president's brotherin-law, Augusto Boyd, had said resign if that were the only means

would have to be made.

Be Open New Year's Day Capital city hotel patrons who ate apples in lieu of Christmas political parties backing his ad- dinner need not suffer from lack

and will serve holiday fare both today and tomorrow, a survey reveals. Last week's long weekend

left employes willing and ready to work, one restaurateur declared

The leaders of the AFL and the Bus Ends Up in Train **Depot Full of Candy**

war plants New Year's day. ALBANY, Dec. 30 -(AP)- Police

a four-day lull-came as Lt. Gen. George S. Patton's hard-driving to reinforce his conquering forces. forces broadened their front along the south of the German bulge to nearly 59 miles, struck west of Bastogne, sheared supply roads and threatened to cut off an enstage, Moscow announced last emy armor thrust to within 23 miles of Sedan at Libramont.

Smash From East American counterblows had re-The German refusal occurred won nearly one-third of the ter-Friday and Moscow announced ritory overrun in the Germans' that soviet troops vesterday had surprise counteroffensive, badly smashed into the eastern side of narrowing the maneuvering the city for the first time. Soviet ground for Von Rundstedt's three dispatches said they had linked armies. Progress of the new bat-

tle was not at once disclosed, nor was the time at which it broke. **Drive Into Moircy** Previously, supreme headquar-Moscow also announced that ters had reported under the 36hour security blackout that by yesterday morning one Third ar-

my force drove into Moircy, 11 miles east of Bastogne and but four and a half miles southeast of St. Hubert, where another American garrison has been making a Takes Big Toll small - scale Bastogne - like stand **Of Service Men** and holding off far larger forces.

Von Rundstedt's westernmost positions were being assailed by Lt. Gen. Courtney H. Hodges' resurgent First army, which fought of deaths of men from the midin the streets of Rochefort, 24 Willamette valley area today. miles northwest of Bastogne, and

plastered the German lines with shells.

Enemy Fights Back

As the battle rose in fury the 135 service men already have been **For Steel Men** enemy fought back with mortars reported dead from illness, acciand artillery, bent on holding the town to the last. WASHINGTON, Dec. 30-(AP)-Necessity for action was multi-Steelworkers received an okay plied by the American artillery arrived.

from Stabilization Director Fred commanding his east-west routes Vinson tonight for war labor of supply or retreat. board-approved wage increases

estimated to average 5 to 7 cents Announcing his decision, Vinson said the office of price administration had advised that this boost for the more than 400,000

workers in the iron and steel industry would not necessitate general increases in prices of steel

Vinson Okehs

OPA did advise, Vinson said, that an increase in price of some steel products was overdue and

Salem Restaurants Will

By Louis P. Lochner

LONDON, Dec. 30 -(A)- Rudolf Hess came to Britain on a selfstyle "mission of humanity" on of his deputy's plan, most persons May 10, 1941 without the knowledge or approval of Adolf Hitler

This came categorically and unequivocally, from a high British government source.

time

A comparison able further es-

convoy ably would assume his duties as pressed on under Japanese attack regent tomorrow. that the enemy had drawn troops

The proclamation, stating that the king had deeply considered the terrible situation" into which Greece had fallen, said he had resolved not to return to the country "unless summoned by a free and fair expression of national will" and authorized Damaskinos to

Total Japanese losses, including 601 more killed in recent mopping up operations, reached 116,-

770, the communique said. In a "historical resume" of the Japanese forces of Yamashita's 35th army, destroyed on Leyte. turned from Athens. Reliable MacArthur said one division, the

Report Papers in Athens regardless of his consent.

Establishment of a regency had LONDON, Dec. 30 -(P)- Reports been unanimously agreed upon by that a shake-up in the allied comthe all-party conference convened mand on the western front was by Churchill and Foreign Secretary Anthony Eden last Tuesday imminent were displayed promiin an effort to restore peace in nently today by the London after-Greece. noon press. The stepped-up tempo of war

Australia Will Play Vital clared that an official statement the flames had leapt above sur-**Role in Philippine War**

man's roll of honor holds 10. CANBERRA, Australia, Dec. 30 and armies was expected shortly. names; for 1942, 19; for 1943, 55. And for the year ending tonight, (AP)-Acting Prime Minister Francis Forde in a New Year's statement today said Australian fightdents or combat action-and the ing forces in 1945 would "play a vital part in the Philippines oper-

The London Evening News deat "least two more years of arduchanges in the organization of the

High British Source Says Hess' Flight Was Entirely Without Knowledge of Nazi Fuehrer

When Rudom Hess made his sensa-tional flight from Germany to Britain in 1941, Louis Lochner was chief of the Associated Press bureau in Ber-lin. Now in London, Lochner has assayed the story anew, against the background of information he had at the time but was prevented from re-porting by German censorship.) first met my request to clarify whether or not Hess came as Hit-ler's agent with, 'what difference does it make?". I pointed out that everyone who was in Germany at the time of Hess' flight is asked "what about the time of Hess' flight is asked "what about the tory of the told me, "from all Hess" from all Hess instruction of the second the tory of the told me, "from all Hess" from all Hess

Hess' flight is asked "what about right," he told me, "from all Hest Hess? Was he sent by Hitler?" | said and revealed our government I also pointed out that when we is firmly convinced that the deputy presented our circumstantial evi- fuehrer came without Hitler's dence of Hitler's lack of knowledge knowledge and approval.".

were not convinced. The MOI official now grew interested. "What was that evidence?" Since German censorship at the

time prevented my reporting that evidence, I incorporate it here. of data avail- The belief that Hitler had nothing to do with Hess' flight rested only five weeks off, for even we tablished that on these considerations:

Hitler's long - First, Hitler placed a high value secretary on the lives of his most intimate and later dep- followers and would not have per- Haushofer and Hess. Messer uty fuchrer was mitted Hess to go on a solo schmitt, who at the time was re inspired and flight. backed by Prof. Second, if Hitler had not been Germany had not suffici

Karl Von Hau- caught off guard, he would not potentialty to fight east, west and

Archbishop Damaskines

tion on the western front were

western front are imminent." It

The army which seized com-

determination of the issues.

The union involved in the labor

changes might be.

the blaze brough suggestions of incendiarism from crowds who lined streets of West Salem and downtown Salem to view the spectacle.

Owned by a producers cooperative association since 1938. the cannery from 1932 to 1938 was owned and operated by the Hillman Packing company, of which Grover Hillman, Salem, was president.

Expansion Planned

Extensive plans for expansion of operations had been made. plant executive said, and considerable new equipment secured even in wartime, under war food priorities.

The two-year-old brick and tile dehydration plant at the south end of the cannery, though an oven early today, could not be greatly damaged by fire, Charles Martin, president of the Blue Lake association, said.

5500

Salem fire department joined West Salem fire fighters in what onlookers maintained to be a hopeless task even before the hoses had been laid. In the almost windless night, the glow smoke

One military commentator despired high over the fire before covering some aspects of the re- rounding rooftops. Directly east of the plant, the grouping of the allied commands old and now idle Portland Gen-

eral Electric substation loomed. . The reports, the publication of still comparatively undamaged at which coincided with a definite 2 a.m. improvement of the allied posi-In Salem, where a half dozen

large dancing parties were giving an early welcome to the new year. formally-clad merrymakers left ballrooms to watch the fire.

Yank Planes allied supreme command on the listed the present commanders Pound Enemy

> LONDON, Dec. 30-(AP)-More than 2000 British-based Americ bombers and fighting planes pierced through fog today and pounded German supply lines to the western front for the eighth consecutive day.

Eight bombers and three, fight-CHICAGO, Dec. 30. -(AP)- A New Year's holiday calm settled ers were reported missing from these operations. over Montgomery Ward and com-

While the German airforce stuck to its bases for a third day, more than 1300 Flying Fortresses and Liberators of the U.S. eighth airforce, escorted by approximately 700 Thunderbolts and Mustangs, struck unmolested at railroad bridges on lines leading directly from Berlin and at freight yards at Mannheim, Kaiserlautern and Kassel.

23 Freight Cars Burn Following Derailment

GUYMON, Okla.; Dec. 30 -(/P)-Sheriff W. T. Bratton said the Rock Island railway was blocked



Through Hess, he | must have known the attack on Russia was correspondents knew it. Another man "in the kn

dispute awaited army action toward carrying out war labor board. directives that led to the seizure. Meserschmitt, a crony of both Vor

Belgian Army Battalions ported reliably as warning that Join Allies on Front



figures since the recent upsurge of European fighting have not yet ations." Australia must plan for without any official confirmation. The total now is 219 from a ra- ous warfare against Japan," he clared flatly that "important dius of 25 to 35 miles of Salem. said.

sources said Churchill told the Shake-up Due 16th, had participated in the battle of Bataan against him early in be established by the government War Year 1944

"take all steps necessary to restore order and tranquility." Churchill Convinces The king, reported to have opposed the regency, was believed to have been convinced of the necessity of the measure by Prime Min-ister Churchill, who had just re- High Command

