

Holiday Trade Considered Best In Ten Years

New York, Dec. 21 (AP)—Christmas shoppers in the final holiday buying rush made cash registers from coast to coast ring today with cheerful tunes of good business.

Swelling the shopping tide in retail trade districts of many industrial communities were thousands of consumers who had found jobs in recent months in war supply factories.

Manufacturing employment was estimated in business circles the highest on record, although several millions remained to be absorbed in private payrolls as result of the growth of the nation's labor forces in the past decade.

Overtime pay in defense-pressed industries, such as tools and shipbuilding, contributed to the Christmas spending splurge.

As the shopping whirl approached its climax in a war-time setting of free spending mixed with misgivings about the future of consumer goods production, trade reports indicated the best retail turnover since 1929 at industrial centers. Dun & Bradstreet, Inc., said there was "increasing evidence that consumer holiday buying was shaping up to the best volume in a decade."

"Store traffic was of capacity proportions in many large cities and retail turnover in units frequently was found to be the heaviest since 1929," the mercantile agency added.

Santa Claus had the business spotlight but the demands of the U. S. and British war buyers were the main topic of study among business men looking ahead to the post-Christmas prospect.

Washington efforts to speed war industries and the presidential move to increase aid to England by lending equipment, rather than selling it, raised the question in business circles whether civilian consumer demand would be curbed to give arms orders the right of way.

Latest reports showed key industries, including steel, at or near capacity. Little inclination toward usual year-end slowdown was noticeable, although some curtailment of factory activity was expected next week for the Christmas holiday.

Partly because of seasonal adjustments, the Associated Press index of industrial activity jumped to a new peak for the past decade at 121.5 per cent of the 1929-30 level, compared with 119.5 the previous week and 111.7 a year ago.

Business sources ascribed the production drive partly to attempts to complete orders before the defense program and British purchases demanded a larger share of factory capacity. When these orders are out of the way, especially in steel, there would be ample capacity for defense in most lines, some authorities insisted.

Nevertheless, the impression spread in financial circles that defense planners would exercise wider control over the flow of raw materials and perhaps divert some capacity from consumer goods to war production.

Certain reports received in Wall Street said automobile output for the normal market may be curtailed within the next five months to permit diversion of skilled personnel and plant facilities to armament work, especially aircraft manufacture.

Recognition of this possibility appeared to be influencing the exceptional demand for automobiles.

Former Fliers Will be Trained

Washington, Dec. 21 (AP)—The army air corps announced today that it would train hundreds of former fliers, engineers and other qualified civilians to serve the expanding air forces on the ground as squadron engineering officers.

First classes of 50 students each will enter New York and Purdue universities next month, and others will follow at three-month intervals. After 12 weeks of study, six months additional training will be given at Chanute Field, Ill.



Four-Motored Bomber Crashes, Kills Six—Here is one smashed wing of a United States Army four-motored bomber which crashed in the mountains 25 miles southeast of March Field, Calif., with loss of six lives including Corp. Frank J. Jirak of Salem. In foreground is part of one of the engines, still smoking from flames which burned part of the plane's wreckage. The craft apparently overturned after crashing in the trees and boulders because the underside of the wing here faces upward. — Associated Press Photo.

Bread and Milk Lady to Have Christmas Tree

Dallas, Tex., Dec. 21 (AP)—The Children's Bread and Milk House has a Christmas tree with decorations that are different.

In place of the usual tinsel and lights, its boughs are strung with white and green milk bottle tops, each bearing a name in a childish scrawl.

Youngsters used the finest good-will symbols they knew to decorate the tree for their "bread and milk lady," Mrs. Lida Thompson Byrne.

Mrs. Byrne isn't wealthy but a few friends aid her philanthropy and when she rings a bell every noon ragged, hungry children come scampering.

"They receive only bread and milk. It's the only food many of them have all day," Mrs. Byrne said.

"If it's a good-weather day some 60 children come with spoon and glass and saucer. If it's bad-weather day the number drops to 25.

"So many of them must remain at home in bad weather because they have no shoes," Mrs. Byrne explained sadly.

The children will have a program around the tree Monday. There'll be recitations and an exchange of gifts.

Just to be sure nobody is overlooked Mrs. Byrne will see to it that there are oranges and candy enough to go around.

She and the children hope it's a good-weather day.

The navy has adopted electrically-heated diving suits as standard equipment.

Mystery Veils Inaction Of Italian Fleet

By DeWitt MacKenzie (Associated Press Staff Writer)

When the British drove the noses of a fleet of warships right up into Signor Mussolini's own private fish-pond (which is to say the Adriatic) without encountering signs of the enemy, they uncovered one of the most astonishing situations of the altogether mad battle of the Mediterranean.

If this development means what it seems to mean (and I'm not prepared to say that it does), then good fortune is unfolding for Britain like a rose under the morning sun.

To get the full significance of this occurrence we must realize that the fleet passed through the 45-mile wide Strait of Taranto, with two great Italian bases almost near enough to be piped up by a boat-swan's whistle. It then cut right across Italy's line of communication with its beleaguered army in southern Albania.

The British also plastered the important port of Valona—Albanian end of this life-line—with a hundred tons of explosive without having even a pea-shooter leveled at them. They steamed up the Adriatic as far as Durazzo, northern Albanian port, and Bari on the Italian coast. And never a ripple from an Italian warship, or roar of a warplane's propeller.

The only indication of any movement of the Italian navy came today in a report by the high command that fascist ships had attacked the Ionian coast of Greece, scoring heavy hits. Details were lacking.

The implications of this mystery of the Adriatic are even more startling than the uninterrupted cruise of the British unit. His majesty's

admiralty wisely refrains from drawing conclusions, but British commentators say that the Italians have conceded domination of the Adriatic as well as the Mediterranean, and have sought a hide-out to escape their enemy.

Whether those conclusions may be accurate or not, it strikes me we shall be well advised to watch developments a bit before making up our minds. Should it prove to be a fact that the Italians have abandoned control of their Adriatic to the British, then we would have an entirely new situation, something like this:

With communications between Italy and Albania severed, the fascists would have to abandon that Balkan country, and it's difficult to see how they could evacuate their already shattered army from Albania. Thus the Romans would have written off their attempted conquest of Greece as a catastrophe, and would have surrendered a highly strategic Balkan base of operations to the enemy.

The entire east coast of Italy would be virtually under the muzzle of British guns. You could make anything you wanted out of that.

First Degree Charge Filed

Portland, Dec. 21 (AP)—A first-degree murder charge was filed yesterday against Mrs. Julia Carlson, plump, middle-aged widow, in the slaying of her admitted lover, Paul Notzold, 52.

Mrs. Carlson confessed killing Notzold with an axe and a razor. Detective John Abbott, who signed the complaint, said Notzold's slashed and battered body was found in a bed at the widow's home.

Abbott reported Mrs. Carlson was in a stupor on the kitchen floor when the police arrived. Police quoted her as saying she had intended to commit suicide but "lost my nerve and got drunk instead."

The widow waived preliminary hearing in municipal court and was ordered held for grand jury action. Notzold, a cook, had a wife living on a farm at Battleground, Wash., police reported.

Deaths from Flu Increased to Three

Portland, Dec. 21 (AP)—The influenza death toll here was boosted to three yesterday, as 135 new cases were reported.

The third victim listed by the health department was Mrs. Julia Olson, 72, who died last Monday. As the epidemic showed no signs of letting up, several churches and other organizations cancelled scheduled Christmas parties.

The average amount of salt in sea water is 3 1/2 percent.

Music Program At Art Center On Sunday

An informal program of music under the direction of Mrs. Walter Denton will be given at the Salem Art Center Sunday afternoon between the hours of three and five. Music as well as gallery exhibits and decorations are in keeping with the spirit of the holiday season.

Mrs. J. A. Wonderlick has assisted in arranging a program on which many well known musicians will be presented. The public is invited to attend.

At 3:30 William Dunville, tenor, will sing "Star of the East," by Kennedy, and traditional carol "The First Noel." Floyd Young is Mr. Dunville's accompanist. Following this Nellie Jane Pearmine, representative student from the Mary Schultz Duncan studio, will give two violin solos, "Spanish Dance" by Burleigh and "Rondino" by Kreisler, with Ruth Bedford accompanying.

After a short intermission in which guests may enjoy the gallery exhibit of photographs and sketches grouped under the general title "Ecclesiastical Architecture" Ruth Bedford will sing a group of Christmas solos accompanied by Alice Cray Brown. She has chosen "No Candle was There" by Leman, and "Mary's Manger Song" by Salter.

At 4:30 Salem high school students, under the direction of Lena Belle Tarrar, will be in charge of the program. Marjorie Walker, pianist, will play Christmas carols, Rosetta Tricker, Jean Barham and Joyce Ogden will sing solos and appear as a trio in carols.

Louise Kamman, accompanied by Gladys Edgar, will sing Max Rogers' "The Virgin's Slumber Song," one of the beautiful, though less known solos, appropriate to a Christmas program, and Carol Seagrove will close the program with "Jesu Bambino" arranged as a violin solo.

Both Major Parties Early To Get Busy

Washington, Dec. 21 (AP)—Although it is nearly two years until the next congressional election, neither major party is letting any grass grow under its feet.

With republicans talking of a full-time permanent staff here, it was announced last night that the democratic national headquarters would move the first of the year into a luxurious 25-room suite in the Mayflower hotel.

National Chairman Edward J. Flynn of New York, it was learned, will move into an apartment in the hotel and spend most of his time here after January 1. Flynn has been paying only occasional visits here since he succeeded James A. Farley last fall.

Coincident with this news came word that the democrats would not hold their customary Jackson day banquets on January 8. Because this date comes close to inauguration day on January 20, it was thought best to have a "victory dinner" in February or March, as was done after the 1936 election.

The republicans are holding up reorganization of their headquarters until a new national chairman is selected. Wendell L. Willkie, the party's 1940 presidential nominee, is represented by associates as desiring for that position a man who could represent the "back home" element.

Republican offices occupy several floors in a building across Lafayette Square from the White House, while the democrats have been housed in eight cramped rooms in the national press building.

Both national committees are preparing their final post-election expenditure reports for submission to the house. The last reports showed that the republican national committee received \$2,993,991 and spent \$2,313,400 between January 1 and October 30, while the democrats received \$1,917,213 and spent \$1,848,727.

Flynn has said that the democratic national committee final report would show expenditures below the \$3,000,000 limit fixed by the Hatch act.

Navy to Boost Enlisted Strength

Washington, Dec. 21 (AP)—The navy, rushing construction of a two-ocean fleet, was reported authoritatively today to be planning to ask congress for a substantial increase in its enlisted strength.

The expanded navy will require between 400,000 and 500,000 seamen, exclusive of the marine corps, but spokesmen declined to say whether congress would be asked at the coming session to authorize the entire number. Some congressional sources said, however, that ranking navy officials favored getting the necessary legislation enacted so as to save time in event of an emergency.

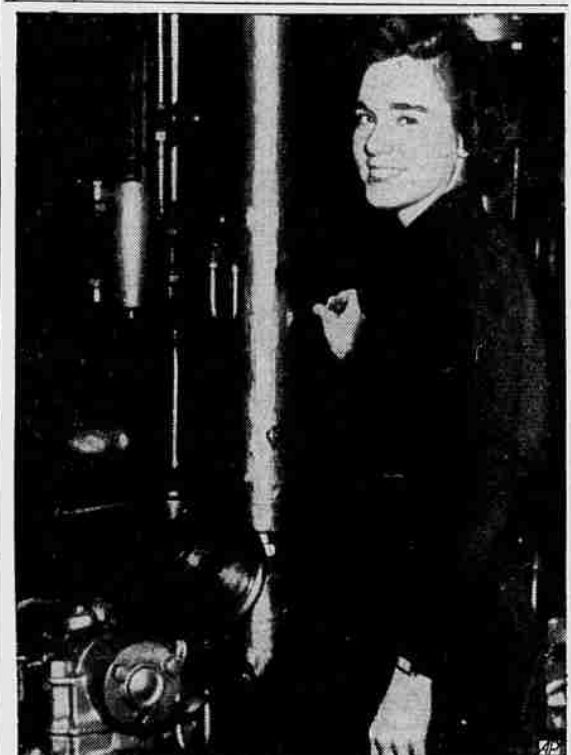
On December 1 the navy had 166,388 of its 191,000-limit of enlisted men, and officials said the total was rising every day.

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Canadian Official After Rescue—Canadian Munitons Minister C. D. Howe, one of survivors of British liner Western Prince, donned a bathrobe after his rescue. The Western Prince was attacked by a submarine off the Irish coast. Sixteen persons were reported lost. Survivors were brought to a "western British port." — Associated Press Photo.



Co-Ed Mechanical Engineer—First co-ed to receive a mechanical engineering degree at Ohio State university in 40 years, Mary Lee Wilkerson, 22, of Middletown, O., tests a big boiler although airplane designing is more in her line, she says. — Associated Press Photo.

Silverton IEU Elects Officers

Silverton, Ore., Dec. 21—Clifford Ekund was named chairman of local No. 50, district 2, at the IEU reorganization meeting last night, created to take the place of the old local 28 which was dissolved Thursday night. The new local has a charter membership of 187, nearly all of whom are employees of the Silver Falls Timber company.

Other officers are Jack Scott, vice chairman; Ed Lambert, secretary-treasurer; Joe LaRue, Oscar Benton, George Christensen, Joe Clancy and Randall Bailey, conference committee members and Edgard Huddleston, D. P. Starrett and Louis Sawyer, trustees.

With a majority of mill employees signing, charter was issued by H. W. Burton, Portland, executive secretary of the IEU. The Silver Falls Timber company will deal with the IEU as bargaining agency and the conference committee was instructed to demand full recognition of the new local by the employers.

Robber Held To Grand Jury

Portland, Dec. 21 (AP)—Loyal McCready, 48, Los Angeles, charged with robbing a branch bank of \$664 last Wednesday, was ordered held for federal grand jury action yesterday after he waived hearing. His bail was set at \$25,000.

McCready was shot in the hand by police after he overtook him in the car of George B. Lampro, 24, which he commandeered. Lampro was shot through the body and gravely wounded.

The accused robber said that Lampro, an innocent victim, "never should have been shot."

"He kept his hands in the air all the time after being stopped by the cops and never once acted like he was grabbing for a gun," McCready stated.

Officers said they shot McCready when he brandished a gun and Lampro when he let his hands fall as though reaching for a gun.

Carnegie hall in New York is celebrating its 15th anniversary this season.

Pauline Saalfeld Named Delegate

Pauline Saalfeld, teacher of the fifth grade at Mt. Angel, has been appointed delegate of the Intermediate Teachers' association of Marion county to the Oregon State Teachers' association. Mrs. Jack Kennedy, primary teacher at Hayesville, is alternate. By experience and capacity as a teacher, Miss Saalfeld is considered capable of filling the position in a highly creditable manner.

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Piano Prodigies—70 Years Apart—A child prodigy of 70 years ago, Moritz Rosenthal sits down at the piano with a keyboard prodigy of today, eight-year-old Kenneth Amanda, of South Orange, N. J., at Kenneth's debut in New York. The concert marked Rosenthal's 78th birthday. — Associated Press Photo.

New Set-up to Speed Defense Program

Washington, Dec. 21 (AP)—Four men personally selected by President Roosevelt as a defense "high command" shouldered the concentrated responsibility today of arming America.

To the new organization—to be known as the office for production management for defense—the president late yesterday named William S. Knudsen and Sidney Hillman of the present defense commission, War Secretary Stimson and Navy Secretary Knox. Knudsen will be director.

Although the present defense advisory commission will be retained, it was expected that the new board would take over most of its duties, leaving the seven defense commissioners to coordinate the civil life of the nation with the activities of the new board.

Mr. Roosevelt's decision to create the new office, under authority of the 1939 government reorganization act, followed widely-voiced demands for a greater centralization of authority in defense matters.

Prospects were that the new set-up would be functioning by January 1. The president said that about 10 days would be required to perfect executive orders necessary for its establishment.

The board, Mr. Roosevelt said, will represent all three of the elements involved in every process of production—labor, management, and the buyer-user.

Big, Danish-born Knudsen, one of the nation's outstanding production experts, will represent management.

Hillman, a union man for 30 years, will handle labor problems, and will be assistant director of the board.

Secretaries Knox and Stimson will present the viewpoint of the buyer-user—the army and navy.

Contracts Let For 31 More War Vessels

Washington, Dec. 21 (AP)—Secretary Knox announced today the awarding of contracts to private shipyards for 31 additional mine-layers, tenders and other naval vessels estimated to cost \$285,765,500.

Additional contracts totaling \$8,600,000 were awarded at the same time to expand facilities at the widely-scattered shipyards receiving the orders.

The vessels will be built on a cost-plus-fixed fee basis. Detailed breakdowns and delivery dates were not disclosed. The shipyards, number of vessels, and limit of cost on expansion of facilities included:

The Willamette Iron and Steel corporation, Portland, Ore., two mine-layers, \$1,000,000 for expansion of facilities.

Lake Washington Shipyards, Seattle, Wash., six small seaplane tenders. No expansion of facilities provided.

Associated Shipbuilding company, Pascagoula, Miss., four net layers; \$2,000,000 for expansion.

Moore Dry Dock company, Oakland, Calif., two submarine tenders and five submarine rescue vessels. No expansion.

Sun Shipbuilding company, Chesapeake, Pa., three destroyer tenders and three seaplane tenders; \$2,500,000 for expansion.

Los Angeles Shipbuilding and Dry Dock company, San Diego, Calif., two repair ships; \$400,000 expansion.

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