

Capital Journal



Kelly Tells
the complete story of the national defense program as it affects and applies to Oregon in his daily editorial page column in the Capital Journal, each a complete story by an Oregonian for Oregonians.

Weather
Fair tonight and Tuesday, considerable cloudiness or fog near coast; day temperatures continuing above normal; moderate northwest wind. Sunday max. 75, min. 40. Rain 0. River -3 ft. Northwest wind, clear.

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Monday, April 21, 1941

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Allies in Greece Retire to New Third Line

Gas Station Delay Asked By Objectors

Council Urged to Defer Permit Pending Study Of Zone Change

By Harry Crain
With City Engineer Davis prepared to make his report on the sufficiency of objections of property owners in the vicinity of Capitol and Center streets to the proposed construction of a service station on the corner, the city council is to be asked tonight to adopt a resolution instructing the engineer to withhold issuance of permits for other than residential structures on property adjoining the proposed expanded grounds for the state capitol group.

Would Allow Study
The resolution will call for withholding permits until such time as the council has had ample opportunity to consider contemplated amendments to the zoning ordinance to set up a restricted building zone around the enlarged capitol grounds, in conformity with the expressed desire of the legislature to protect the state grounds from commercial encroachments.

It is planned to incorporate these amendments along with others sought by the zoning commission into a single ordinance for the deliberate consideration of the council.

City Attorney Lawrence Brown agreed this morning that the council has the right to adopt such a resolution of instructions to the city engineer because, while the engineer is required by ordinance to grant local option permits in class II residential zones where the protests amount to less than 51 per cent of the affected owners of adjacent property, he is not required to grant the permit within any specified time.

Petitioners State Case
Meanwhile petitioners for the service station permit, Breyman Boise and A. C. Eoff, are continuing their campaign to induce owners of adjoining property not to file protests and indirectly urging the owners of all property adjacent to the capitol grounds to resist creation of a zone unreasonably restricting the use of their property. In a circular typewritten letter addressed to these (Concluded on page 11, column 8)

British Press Pessimistic

London, April 21 (AP)—The British press more and more openly discussed the possibility of defeat in Greece as reliable observers today gloomily studied the campaign there and the intensification of the German diplomatic campaign.

Britain's action in sending troops to Iraq was taken as a visible indication of the official belief that the battle is nearing the Suez and the oil fields of the middle east.

The press, almost in one voice, warned against letting the British force in the middle east be destroyed. Hitler's "real aim," it was said, was to use his armies and diplomacy, in lieu of a fleet, to win not merely the battle in the Balkans, but to trap the British Mediterranean fleet and middle eastern army.

Thus he would weaken the defense of Britain and knife her Empire lifeline. Observers viewed the unfriendly tone of the Spanish press and reports of prolonged cabinet meetings in Spain as a result of axis pressure.

They said a German march to Gibraltar would not help Hitler much in his present campaign in the eastern Mediterranean, but it might give him new ports in Spain and Africa to fight the battle of the Atlantic.

IEU Asks for Pay Jump and Vacation

Toledo, Ore., April 21 (AP)—The Industrial Employees' union asked a 7½-cent-an-hour wage increase plus a week's vacation with pay for lumber workers of western Oregon yesterday.

Finding of a fir industry report made for the federal government by Dr. Dexter Keezer, Portland, prompted the demand, delegates to a district convention said.

Council To Act in First Aid Car Case

A resolution to be introduced at the city council meeting tonight, it adopted, will appoint the Salem civil service committee as a special committee to conduct an examination to fill the vacancy in the first aid car personnel caused by the leave of absence given Captain C. M. Charlton.

Also the resolution will provide that the examination be independent of the civil service and thrown open to all citizens of Salem who have voters' qualifications.

Another provision of the resolution, which attempts to solve the first aid car difficulty, is that the car continue for the present to be operated under the direction of the chief of the fire department and the fire department committee of the city council, which means that its operation will remain as a fire department function. The resolution will be introduced by Alderman Ross Goodman, chairman of the fire department committee.

The resolution authorizes the civil service commission to make whatever rules and regulations it considers desirable in holding the examination.

Indications today were that the council will make another effort tonight to pass the milk regulation amendatory bill that has been pending before the council for several weeks and which has been the subject of several public hearings.

King and FDR Agree on Plans

Hyde Park, N.Y., April 21 (AP)—Speedy mobilization of North America's resources, calling for the interchange of defense articles by the United States and Canada, has been agreed upon by President Roosevelt and Canadian Prime Minister W. L. Mackenzie King.

Designed for the dual purpose of hastening aid to Great Britain and other democracies and for defense of this hemisphere, the agreement was announced in a joint statement last night after a seven-hour conference between Mr. Roosevelt and the Canadian leader at the president's Hudson river home. Both then left for their respective posts in Washington and Ottawa. The president arrived in Washington this morning.

"It was agreed upon as a general principle," the statement said, "that in mobilizing the resources of this continent each country should provide the other with the defense article which it is best able to produce and, above all, produce quickly, and that production programs should be coordinated to this end."

During the next year, the statement added, it was hoped Canada could supply the United States with \$200,000,000 to \$300,000,000 worth of defense articles "urgently required by the United States."

"Certain kinds of munitions, strategic materials, aluminum and ships" were mentioned in this respect. In that period, the statement said, Canadian purchases would be even greater than in the past.

Both Legs Broken In Riding Accident

Haysville, Ore., April 21—Colleen Olsen, only daughter of Mr. and Mrs. Olin Cross, Saturday morning suffered the fracture of both legs when she was thrown from a horse. She is a sixth grade student in the local school and very popular in all school activities.

Northern Pacific Releases Grant Lands

Washington, April 21 (U.P.)—Secretary of Interior Harold L. Ickes closed one phase of the "Westward Ho!" development of the United States today when he approved a formal release submitted by the Northern Pacific Railroad company of all claims under its land grants made in 1864 and 1870. This completed restoration of more than 8,000,000 acres in 11 western states to federal ownership in the last six months.

Under the Northern Pacific release—last and largest of the historic railroad land grants closed out under provisions of the 1940 transportation act—approximately 4,500,000 acres in Washington, Montana, Idaho, Oregon, North Dakota, Minnesota, Wisconsin and Wyoming, will revert to federal ownership.

The value of the land restored to the public domain was not appraised.

The Northern Pacific also assigned to the federal government its rights to timber cutting contracts on 3600 acres in Washington, and telephone, pipe line, right of way and other permits on 1200 acres in Minnesota, Montana, Washington and Wyoming. Approval of the release, interior department officials said, also makes possible the termination of a 10-year law suit between the government and the company based on the terms of the original grant under which the company received 43,159,000 acres more than 75 years ago.

At the same time, the company, under the release, can take advantage of transportation act provisions and discontinue low preferential rates for some forms of government passenger and freight business.

Hillman Says Fewer Strikes In the Future

OPM Boss Opposes Cooling-off Period for Defense Strikes

Washington, April 21 (U.P.)—Sidney Hillman, co-director of the office of production management, told a senate committee today that within six weeks or six months a "no strike-no lockout" agreement would be in effect in the entire American shipbuilding industry.

Hillman, testifying before the senate committee investigating national defense, cited a "stabilization" agreement between labor and management in the Pacific coast shipbuilding industry as an "accomplishment worthy of special consideration."

The agreement covers basic hours and wages and assures adjustments of disputes without work stoppages. "Before six weeks are over—or at least before six months are over—the shipbuilding agreement will cover the whole country," Hillman said. "We are trying to work it out in shipbuilding before talking about it in other industries."

Hillman told the committee that labor is coming to an "increasing realization" of its stake in the defense program and the need for cooperation.

Opposes Cooling Off
"Labor has so much at stake in the defense program, that it will suffer more if anything goes wrong, if that is possible, than anybody else in the country," Hillman declared.

He opposed proposed legislation for compulsory "cooling-off" periods before strikes may be instituted in defense industries.

"What we are suffering from in the labor movement as well as throughout the country is that most people do not appreciate the urgency of the situation," Hillman said.

Admits Danger
Hillman was drawn into a discussion of strikes by Sen. Carl A. Hatch, (D., N.M.), who asked him whether labor was not undermining its own cause by unwise action.

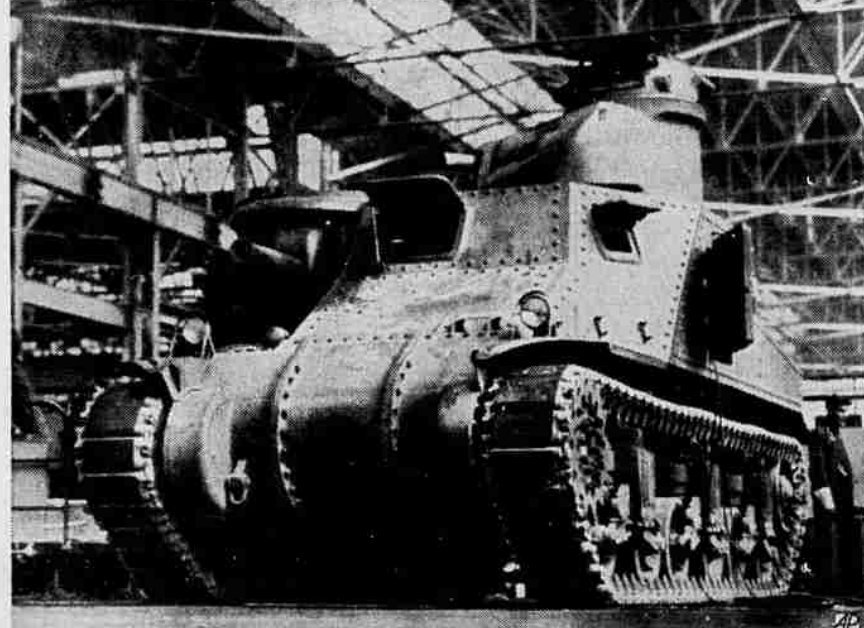
"If within 24 hours something unfortunate should happen in this country all the gains of labor would be gone," Hillman agreed.

Hillman reiterated his oft-taken stand that jurisdictional strikes are not justified. He also contended that the public gets an exaggerated picture of labor difficulties, which he said involved less than one per cent of defense production.

"I'm not for keeping news away from the people, but I'm for keeping it in proper proportion," he said.

Yugoslav King Reaches Jerusalem

Vichy, France, April 21 (U.P.)—Dispatches reaching Vichy today from Beirut, Lebanon, said that a plane carrying 17-year-old King Peter II of Yugoslavia had reached Jerusalem in a flight over the Mediterranean during which an unidentified member of the Yugoslav cabinet was killed.



Receives Final Grooming for Army Debut—First product of the Chrysler tank arsenal in Detroit, this 28-ton pilot model of the M-3 medium tank is receiving its final grooming before formal presentation to the army. Mass production will start this summer. The gun at the left is a 75-mm cannon and above the center is a 37-mm cannon. Machine guns fire from the topmost turret. — Associated Press Photo.

New Premier Calls For Finish Fight

Athens, April 21 (U.P.)—Manuel Tsouderos took the oath as premier of Greece today and, in a speech delivered between air raids, called upon the nation to "fight to victory." "We do not want to become slaves and we intend to fight to a victorious end," Tsouderos, former governor of the Bank of Greece, said. "You may be sure that our struggle for great Greece will end with glory."

Tsouderos said that "the low souls of the enemy have no place in Greece."

"You fight so that your brothers and sisters will not come under the heel of the beast force," he said. "We are passing through a black night but dawn is not far away."

Tsouderos expressed gratitude for British aid and said: "We know that behind Britain is the United States, whose great ideals will be nourished in the new world. With such partners, righteousness must win and our victory will help create a moral force that will govern all countries tomorrow."

The committee, he added, would approve only as much of the program "as we think is wise." The meeting was behind closed doors.

Doughton said that treasury officials and the staff of the joint committee on internal revenue taxation, an instrument of congress, differed on "some points" as to how the tremendous sum should be raised. The committee, he asserted, would allow the two staffs a few days to "get together" on methods.

The treasury's proposal was presented by John L. Sullivan, assistant secretary. Doughton said that Colin Stam, chief of staff of the joint committee, and his aides would make suggestions at another closed committee meeting tomorrow.

The chairman told reporters that no vote was taken on whether the committee would approve the treasury's plan for financing government expenditures during the fiscal year 1942 on a basis of two-thirds taxes and one-third borrowing.

Aosta Rejects Surrender Offer
Rome, April 21 (U.P.)—The Duke of Aosta, viceroy of Ethiopia, has rejected categorically British proposals that Italians surrender throughout Ethiopia, a communique said today. The communique said that the British proposal was for the purpose of protecting the lives of Italian civilians in Ethiopia.

In reply to a proposal made by the British at Dire Dawa, the duke was quoted as saying: "I refuse to consider your proposals to surrender. Responsibility for treatment of the white population in British-occupied territory is up to the British, whether the British occupy the territory with white or native troops. Meanwhile, we continue fighting to the last man."

Two Earth Shocks Felt in Unalaska
Unalaska, Alaska, April 21 (AP)—This area felt two earth shocks during the night, neither severe enough to cause any damage. Dishes were rattled and buildings rocked slightly by the first shake felt at 6:55 p. m. (PST). The second tremor, at 12:05 a. m., was weaker. Both were of short duration.

Germany Puts Pressure on Spain
London, April 21 (U.P.)—Germany was reported today to be bringing new pressure upon Spain to join the axis military alliance, possibly preliminary to an attack by Nazi troops upon Gibraltar.

It was believed here that developments may come soon.

According to information reaching London, Spain's foreign minister, Ramon Serrano Suner, is urging immediate compliance with a Nazi demand that Spain sign with the tri-partite alliance.

However, there was no specific information here as to whether the new German demands include a request for permission for Nazi troops to cross Spain for the long-contemplated action against Gibraltar or whether Spain has been asked to join in this attack.

Germans Push Beyond Larissa In Greek Drive

Berlin Claims Victory Near and Conference For Division of Spoils

Berlin, April 21 (AP)—Five full British transports totaling 23,000 tons, sailing to the Isle of Crete, were sunk today by the German air force, authorized Nazi sources declared tonight.

Berlin, April 21 (AP)—German mechanized forces have pushed southward "far beyond Larissa" in pursuit of Greek and British troops retreating on the Greek plain of Thessaly, the German high command said today.

Other Nazi forces operating to the west seized a mile-high mountain pass near Metsovon, 40 miles northwest of captured Trikkala, after crossing the Pindus mountains, the daily war bulletin said.

The communique emphasized air assaults against British troop transports along the Greek east coast. A 7000-ton merchantman was said to have been destroyed in the port of Volos and two transports were reported "heavily hit" at Khalkis. Another transport was sunk from a convoy in the Mediterranean, the high command said.

New Threat Looms
Authorized sources previously had said that the Nazi mechanized units were rolling steadily southward after the retreating Greeks and British across the whole 60-mile width of the plain of Thessaly in central Greece.

The German seizure of Metsovon Pass offered a new threat to the Greeks retreating into northwestern Greece from Albania along an ever-narrowing path.

Italian forces which are pushing the Greeks across the border say the retreating forces have only one main road left open, that which runs southward from Ioannina. Metsovon Pass is 25 miles east of Ioannina, which in turn is about the same distance from the Albanian border.

Hitler on Job
Somewhere behind his advancing troops, Adolf Hitler observed his 52nd birthday yesterday in a flower-decorated railway dining car in the presence of military leaders while informed circles in Berlin turned their thoughts toward the political reorganization of the Balkans.

Official and authorized quarters remained silent, but reports persisted that there would be a "conference of victors" almost immediately to map the broad outlines of the axis' new order in the southeast.

Reports from Vienna said King Boris III of Bulgaria had arrived there and Italian leaders were said to be en route.

(Informed circles in Budapest said last night that the axis powers were laying plans for a Vienna conference to decide upon the disposition of disrupted territories in the southeast and to promulgate "new order" in the Balkans.)

Germans and Italians At Tobruk Quarrel
By J. H. Yindrich (Copyright 1941 by United Press)
With the British Empire Garrison besieged at Tobruk, April 18 (U.P.)—Via Cairo and London (Delayed)—Evidence is accumulating that differences are growing between the German and Italian forces besieging Tobruk. Two days ago German tanks fired on about 1000 Italian infantrymen, who, after forming for an attack on the barbed wire entanglements of the outer defenses, retreated before a blast of British artillery fire.

A patrol of 20 Australian infantrymen, accompanied by three Bren gun carriers, then went out on what they called an encircling movement. They brought back 846 Italians, including a colonel, 28 other Italian officers and one German officer.

Italians among the prisoners said that in one attack they were to have received German tank support, but the tanks failed to appear.

An Italian officer said the Germans kept the Italians in ignorance, not only of plans for operations, but of objectives.

A German prisoner said axis troops were told to storm Tobruk in a great attack several days ago but received no specific directions and as the result, they started the attack but got lost.

The abortive Italian infantry attack which previously drew the fire of German tanks, was the first phase of the seventh big attack on Tobruk.

The attack resulted in the destruction of one German tank and the capture of three German tanks and seven Italian guns.

To date the total of German and Italian prisoners is about 1,500. (Concluded on page 3, column 1)

Nazi Columns Thrust South Across Thessaly

Allied Withdrawal Completed Without Loss—Germans Lose Heavily

(By the Associated Press)
Fiery rearguard actions by Australian and New Zealand troops slowed the German blitzkrieg sweep through the lowlands of Thessaly today, while the British-Greek allies fell back and prepared for a "last ditch" stand in the Othrys mountain range.

Capture of Karditsa, 14 miles south of Trikkala in central Greece, put Hitler's panzer columns less than 135 miles from Athens.

The Italian radio reported also it was "believed" that German troops had reached the Aegean seaport of Volos, 30 miles south of fallen Larissa.

Greeks Held Trapped
Facist press dispatches late today asserted that 14 Greek divisions—roughly about 150,000 men—were caught in an Italian trap and further menaced by German forces at their back.

A new German threat to British power in the Mediterranean arose in a report at Vichy, France, that the Germans had demanded free passage through unoccupied France for troops en route to Spain.

Diplomatic circles in Vichy said it was taken for granted that a Nazi move into Spain for operations against Britain's rock citadel of Gibraltar was imminent—a few weeks at most and possibly only a few days.

"The enemy is advancing very cautiously," it was announced. "Partly due to bad roads but largely because of the rough handling he has received whenever in contact with our men. Our casualties are light."

Apparently the next major stand by the British and Greeks was to be made in the southern mountain barriers guarding the approach to Athens between the Gulf of Corinth and the Aegean port of Lamia.

British middle east headquarters said the British withdrawal was "in (Concluded on page 16, column 8)

Massacre Nazis In Boat Drive

Athens, Greece, April 21 (U.P.)—German troops have been massacred in their first attempt in this war to invade a British position by boat, a New Zealand officer reported today on his return, slightly wounded, from the battle of Mount Olympus.

In a manner symbolic of what they might have planned for the English channel, the Germans dived aboard rubber boats—eight men to a boat—and, supported by a withering barrage from their armored cars lining the bank, and by parachutists descending on the British skirting a road in one of the Mount Olympus passes.

"We sank one boat after another," the New Zealander said. "After two hours the river was teeming with half-sunken boats drifting downstream and with splashing, drowning men. Some of the boats were littered with dead and wounded men."

The officer, a former dairy farmer from Auckland, said he was amazed at "the absolute disregard of the Germans for their own losses."

"We got sick of killing them," he said. "It was mass slaughter."

The parachutists, he said, wore gray shorts and heavy gray jackets and carried sub-machine guns that had terrific firing power.

Vichy Sees Drive Against Gibraltar

Vichy, France, April 21 (AP)—It was reported tonight in Vichy that German terms brought to Paris by Otto Abetz, German ambassador at Paris, included a demand for free passage of German troops en route to Spain.

It is accepted almost universally in Vichy governmental and diplomatic circles that a movement into Spain by Germany for operations against Gibraltar to close the western end of the Mediterranean is a matter of a few weeks at most and possibly only days.