

Central Powers Withdraw Their Proposals

TERMS OF ENEMY TO BE FORCED ON RUSSIA

DELEGATES INFORMED BY AUSTRIAN FOREIGN MINISTER THAT RESPONSIBILITY WILL FALL ON RUSSIA IF PEACE IS NOT CONCLUDED

AS THE ALLIES HAVE NOT RESPONDED TO GERMANY'S PROPOSALS, IT IS NOW QUESTION OF SEPARATE PEACE WITH RUSSIA

AMSTERDAM, Jan. 11.—Central powers have withdrawn their peace terms which were made public at Brest-Litovsk on December 25th, according to an announcement made at the peace conference yesterday by Foreign Secretary von Kuhlmann.

Count Czernin, the Austro-Hungarian foreign minister, said at the conference that as the allies had not replied to the invitation to participate in the negotiations, it was now a question of separate peace between Russia and the central powers.

He declared that the central powers' negotiations would be satisfactory, otherwise the responsibility of the war would fall exclusively on the Russians.

By Associated Press LATER—Some reports indicate that peace negotiations have been considered at Brest-Litovsk, despite the protest of Foreign Minister Leon Trotsky.

Before leaving Petrograd, ostensibly for Finland, but probably for Stockholm, for conferences with the German and Austrian socialists, Premier Lenin declared that if the central powers did not accept the Russian peace terms, the bolsheviks would declare war against Germany.

The initial comment in the German and Austrian press on the president's message is bitterly hostile.

A "Republic of the Don," with General Kalodinev as president, has been reported from Rostov.

FIRST STATE BANK ELECTS DIRECTORS

VACANCY LEFT BY FORMER VICE PRESIDENT IS FILLED—OFFICERS TO BE ELECTED IMMEDIATELY

J. W. Siemens, Ed Bloomingcamp, George T. Baldwin, A. B. Epperson and John Siemens Jr. were elected as directors of the First State and Savings bank at a meeting held last evening.

The personnel of the institution is the same as heretofore, with the exception of Mr. Epperson, who takes the vacancy left by Vice President W. F. Wahrer, who left recently to enter the army.

The officers for the coming year have not been selected, but will probably be chosen at a meeting within the next day or two.

RUSS FORM A NEW ARMY

BOLSHEVIKI PREPARE TO SAFEGUARD THE COMING PEACE CENTRAL POWERS—ARMY IS TO BE SMALLER

LONDON, Jan. 11.—Confirming previous reports that the bolsheviks are preparing to re-establish the fighting power of the army against the possible final outbreak in the negotiations with the central powers, the Daily News correspondent at Petrograd says that they are not attempting the reorganization of the old army, but are creating a new one on much smaller proportions.

Foreign Minister Leon Trotsky said: "The new army will wage not war, but a revolution. Its trenches will be barricades against oppression."

CHANGE IS MADE IN PERSONNEL OF MEXICAN

Conductor Lewis Bradford on the local 12 o'clock passenger trip, has been transferred to the position of yard master at Wood. His place is to be filled by J. T. Maszy, who is well known here.

NEW IDEA FOR COMPLETION OF NATRON CUTOFF

POLICE JUDGE SUGGESTS THAT GOVERNMENT MIGHT SEE THE GREAT ADVANTAGE TO NATION IN COMPLETING THIS SHORT GAP

Editor Herald—Noticing in your issue of the 29th, ult., that the Klamath Commercial Club had sent a message to Mr. Strahorn, asking what assistance, if any, the organization might render in securing government aid in completing the Strahorn line, it occurred to me that somebody was overlooking a good hand.

Again, in your issue of the 8th, inst., it appears that Senator Chamberlain had the assurance of Mr. Edward Chambers, assistant director general, that consideration would be given the request of Burns citizens for government aid in building the proposed road from Burns to a connection with the line building west from Vail, and requested that plans and estimates be forwarded to Washington, D. C., at once.

Taking it for granted that the foregoing is at least an indication that the government is going into the railroad business, as a war measure and on a war scale unprecedented in the annals of the nation, Klamath Falls might just as well get into line and present its case for consideration also.

It appears to be the consensus of opinion that the immediate and remote future of Klamath Falls, from the standpoint of development, industrially, agriculturally and commercially, is inseparably linked with the direct transportation problem between Portland and San Francisco via the Natron cutoff, and between Portland and Ogdon and Salt Lake via Modoc Northern connecting at Klamath Falls.

Now, if there is any advantage to secure to Klamath Falls, immediate or prospective, from being on a main line, and the government can be made to see the necessity from a war standpoint or any other standpoint for completing the road from Kirk to Eugene and the Modoc Northern from Klamath Falls to Susanville, let the proposition be put squarely up to the government thru Senator George Chamberlain, without unnecessary delay. The avowed essence of the government activities in taking over the railroads is time. The main line between Kirk and Eugene and between Klamath Falls and Susanville can be completed and in operation in a comparatively short time, without interference with any other railroad enterprise. If consummated, Klamath Falls will automatically come into her own. The chance, whatever it is, should not be neglected.

A. L. LEAVITT.

MANY HURT IN TRAIN COLLISION

AUSTIN, Tex., Jan. 11.—Three were killed and eleven injured in a rear end collision between two sections of the Katy Flyer at Granger, forty miles northeast of this city.

The Katy Flyer is the fastest train on the Missouri, one of the most noted fast trains of the Middle West.

Separate quarters are to be provided for nearly all the force in the main office, and ample bookkeeping quarters maintained in the rear room.

Logging in Klamath Rapidly Increasing

Thirty Cars Are Now Used In Service Between the City of Klamath Falls and Northern Points. A New Railroad Station Has Been Installed At Algoma

The logging operations in Northern Klamath County are rapidly assuming huge proportions, according to C. J. Claus, local agent for the Southern Pacific company.

The Modoc Lumber company at Chilcoqua is now shipping two carloads of green logs per day to the Klamath Manufacturing company at Shippington, and would send double this amount if the cars could be secured for the purpose.

The Pelican Bay company is now getting fifteen car loads per day from the north. Mr. Claus declares that thirty cars are now being used in the logging service between Klamath Falls and Kirk.

A new station was installed at Algoma this week, and a regular agent will be maintained there in the future. J. A. Tucker, a Klamath County man, who has had previous experience as an agent, has been placed in charge of the new depot, which now occupies a part of the Algoma Lumber company's office. A telegraph office is to be installed there by the Western Union immediately.

It is now the intention of the railroad company to put on a special logging train between Klamath Falls and Kirk later in the season, in addition to the regular freight.

Foreign Tongue Is Very Inconvenient

Being in France and not able to understand the language is a great deal like being a baby again, according to Private F. C. Perricone of the Twentieth Engineers, who recently arrived safely "somewhere someplace in France." In a letter to Charles Donart of this city he declares that many of the boys got seasick in crossing, and resembled drunken men as they walked around the decks. The houses near where he is stationed are nearly all built of stone, he says, and are very picturesque.

LIVESTOCK LEAVES FOR PORTLAND

TWO CARLOADS OF FINE HOGS FATTENED AT MERRILL GO NORTH—TWO CARS OF CATTLE AND HORSES READY TO SHIP

Two hundred and seventy head of fine hogs were shipped to Portland markets today by the firm of Gerber & O'Neil. These hogs are the last of a bunch of 700 secured by this firm in Big Valley. They have been fattened in the Merrill district.

James Larkin will ship a car load of cattle and a car of horses to Portland within a day or two.

SENATOR STRICKEN WITH ACUTE HEART TROUBLE

WASHINGTON, D. C., Jan. 11.—Senator Brady of Idaho, who was stricken with acute heart trouble last night, is slightly improved today. Hopes for his recovery are now entertained.

MANY WATER PERMITS ARE AUTHORIZED

RESIDENTS OF SOUTHERN AND EASTERN OREGON PLANNING MUCH PROGRESS, ACCORDING TO STATE ENGINEER

SALEM, Jan. 11.—One hundred and nine permits to appropriate water and nine permits to construct reservoirs, including the irrigation of land aggregating 10,639 acres, and water supplies for three municipalities, with an estimated cost totaling \$294,887, were issued by State Engineer John H. Lewis during the last quarter of the year 1917.

Eight permits were issued to Harney County and were secured by the following parties:

The Pacific Livestock company of Burns, to irrigate 81 acres from Indian Creek; to August Muller of Drewsey, to irrigate five acres from Malheur River; to James E. Rounsvolle of Denio, to irrigate 530 acres from Cottonwood Creek; to Brunnhilde L. Bathrick, to irrigate 200 acres from Pueblo Slough; to May Mc. Hills, to irrigate seven acres from neighboring springs; to Maude L. Rice, to irrigate 109 acres from the Silvies River; to Yeva Reynvaan of Burns, to irrigate thirty-five acres from Poison Creek. The total estimated cost of these projects is \$1,900. Only two permits were issued to Lake County to appropriate Oregon waters. These were secured by J. W. Nelson of Summer Lake, to irrigate 600 acres from Ana River, and to C. E. Sherlock of Lakeview, to irrigate 155 acres from Thomas Creek. The estimated cost of these projects aggregated \$5,000.

In Klamath County only two parties secured permits for irrigation. These were A. A. Liskey of Midland, to irrigate 200 acres from Lower Klamath marsh, and R. O. Short of Klamath Falls, to irrigate 600 acres from Meadow and Swan lakes. These projects will be erected at an estimated cost of \$2,600.

ENEMY IS LOSING GROUND IN ITALY

ROME, Jan. 11.—The Austro-Germans have been forced to evacuate some trenches in the sections near Cavasuechurina on the Italian mountain front.

The retreating Teutons were caught under the Italian fire and suffered substantial losses.

WASHINGTON, D. C., Jan. 11.—Secretary Baker's examination before the senate military committee was warmed up today by a rapid cross-fire of questions by the senators, who disagreed with the generally favorable view of the war preparations depicted by him.

Baker explained that he only meant to convey the idea that all the men who were ready for fighting were adequately equipped.

COPPER PRICES FIXED

NEW YORK, Jan. 11.—Copper producers here have received word from Washington that an agreement has been reached with the federal authorities for fixing the price of copper at 22 1/2 cents a pound for the next four months.

FINE NEW BUSINESS BLOCK TO BE BUILT

DIRECTORS OF NEW INSTITUTION ALTER PREVIOUS PLANS AND WILL ERECT MODERN STRUCTURE IMMEDIATELY ON THEIR PROPERTY

PORTLAND ARCHITECTS ENGAGED TO ARRANGE PLANS—THE WORK IS TO START IMMEDIATELY, AND TO BE COMPLETED IN SIXTY DAYS

That a new modern brick building for the recently organized Klamath bank on the property at Sixth and Main streets, will be immediately commenced, was definitely decided at a meeting of the directors of that institution held here yesterday afternoon.

The site for the bank, which is one of the very best business locations, was bought by the directors a short time ago. It has been the intention to use the frame structure already there for a year or more, but the plans have now been altered and the new building is to be completed within the next sixty days.

Houghtaling & Dougan of Portland are to be the architects of the new building, which is to be a two-story brick. The bank will occupy the lower floor and the second story will be devoted to offices. The lot is 37x100.

The final plans for the building have not been decided upon by the directors, but it is announced that it will be modern in every respect and in keeping with the progress of the city.

The estimated cost is \$15,000. Officers of the new bank are as follows: O. D. Burke, president; J. A. Gordon, vice president; Ida Momyer, cashier. Directors are O. D. Burke, J. A. Gordon, C. E. Riley, C. B. Crisler, Frank Moorland, C. F. Stone and E. S. Tarwilliger of Merrill.

INSTALLATION TONIGHT

Klamath Lodge No. 137, I. O. O. F., will install officers tonight at the regular meeting of the lodge. Come out and see how the new ones take hold.

First National Bank Has Prosperous Year

All officers and directors of the First National bank have been re-elected for the coming year, according to a statement made today by President E. R. Reames. The personnel is as follows: E. R. Reames, president; L. F. Willis, vice president; Leslie Rogers, cashier; Andrew M. Collier and John M. Moore, assistant cashiers. Directors are E. R. Reames, L. F. Willis, A. M. Collier, John M. Moore and Charles L. Moore.

A year of unusual prosperity is reported by the officials of this institution. The new improvements which are now under way will soon be completed, and the patrons served to much better advantage.

The same firm which furnished the interior decorations for the White Pelican hotel is in charge of the remodeling, and when completed it is expected to be on par with the larger city institutions.

Well Known Woman Is Called to Rest

Mrs. Frank Grohs, wife of a prominent Eastern Klamath County stockman, passed away last night at the home of Mr. and Mrs. Elias Obenchain in this city.

Mrs. Grohs spent a great part of her life in Klamath County, and her passing will be mourned by a host of friends in all parts of the county. She was only 25 years of age at the time of her death, and was ill but little more than a week.

The deceased is a daughter of Mr. and Mrs. T. R. Turnage, who resided at Bonanza for many years, and now live at the Townsend flats in this city. She is survived by her husband and one child, a daughter of 3 1/2 years, and a stepson of 15 years.

Interment will be made here. The funeral arrangements will be announced later.