

REASONS FOR EASY PAYMENT CURB LISTED

WASHINGTON, Aug. 14.—Easy payment plans for the impact of defense requirements Tuesday as the administration acted to curb the nation's \$10,000,000,000 installment credit business.

The announced purpose of the curb was two-fold: To discourage consumers from buying many things containing materials that otherwise would be conserved for defense production needs; and To counteract inflationary tendencies that arise when the demand for certain goods is greater than the supply.

President Roosevelt, in an executive order issued late yesterday, directed that the control system be set up to regulate the huge credit business now being transacted through the country's banks, stores and personal finance companies.

The order instructed the federal reserve system to formulate and administer the regulations under a World War statute which carries criminal penalties as high as 10 years imprisonment and \$10,000 fine, for violations.

There was no immediate indication of what the rules would be, but Mr. Roosevelt specifically authorized such measures as requiring down payments where they are not now required; requiring bigger down payments than now necessary; requiring larger weekly or monthly installments, and reducing the length of time such payments may run.

Credit contracts already existing or entered into before the new regulations become effective will not be subject to the new control system.

The president held that the regulations were necessary to curtail the present use of installment credit for purchase of "consumers' durable goods."

Chairman Marriner S. Eccles of the federal reserve board said that this meant "automobiles, washing machines, refrigerators, ironers, vacuum cleaners and many other goods."

These, he pointed out, required the same materials as the production of defense supplies. "At present," he added, "armament demands for such materials are, and probably throughout the emergency will be, so great that the surplus left over for production of consumers' durable goods will in many cases only permit an output of such goods considerably smaller than that attained in recent months."

Beyond this indication, Eccles did not specify the complete range of products whose purchase on credit would be affected. He avoided any details on the code of regulations that would be adopted, explaining that it would take several days to work this out.

Until the code has been formulated, he said, consumers were free to make purchases on whatever terms they can obtain from traders.

The new control system, it was emphasized, would not affect those who can afford to pay cash, but would extend generally to merchandise and small loan businesses now representing the use of some \$10,000,000,000 in credit.

61 PASSED

SALEM, Aug. 14 (P)—Sixty-one of the 100 law students who took the state bar examination here July 8 and 9 have passed the exams and will be admitted to law practice next month, the state supreme court announced today.

Transportation News

MANY NEW DIESEL ENGINES ON ROADS

A total of 362 new diesel locomotives was put into railroad service last year, making an increase of almost 88 per cent in the number of diesel locomotives in railroad use, according to the Western Railways committee.

Prior to 1940, only 749 diesels had been delivered to the railroads, with only 146 of them of one thousand or more horsepower. It is an interesting coincidence that 146 diesels of one thousand or more horsepower were delivered to the railroads in 1940. Of the total number of diesels now in railroad service about 87 per cent are in switch or transfer service, most of them having been installed before last year. There was an increase of 58 in the number of diesels in road service in 1940, and there will be further increase this year as a result of additional diesel purchases.

RAILROADS ABLE TO HANDLE LOAD

The shipping interests of the country are confident that the railroads, under private management, are able to carry all the additional load the defense emergency will develop, the Western Railways committee has announced.

At a special meeting in Chicago of the National Association of Shippers Advisory Boards, which includes in its membership representatives of business originating more than three-fourths of the country's total freight tonnage, a resolution was adopted expressing that confidence.

RAIL MEDIATION ATTEMPT BEGINS

CHICAGO, Aug. 14 (P)—Mediation, the second step in efforts to settle the colossal wage dispute between American railroads and their employees, began with three conferences today.

The national railway mediation board set 10 a. m. (EST) to hear the case of the five big operating brotherhoods demanding a 30 per cent increase in basic rates of pay for approximately 350,000 workers. Of these workers, switch tenders now receive the lowest pay, \$5.08 a day. Three hours later the 14 non-operating unions, representing 850,000 employees, intended to present their demands for wage boosts of from 30 to 34 cents an hour. They now have minimums of 35 cents an hour for semi-skilled work and 85 cents for highly skilled.

Then the federal agency was scheduled to listen to the railroads' side. The class 1 carriers contend they have never earned a net income equaling the money that would be required for wage increases. They have proposed drastic changes in their operating rules to reduce expenses and give management more discretion in work assignments.

Authorities disagree upon how much money is involved in the dispute. Union men say \$800,000,000 or \$700,000,000, but the railroads figure it at \$900,000,000.

Under the machinery set up

KNUDSEN SEES DEFENSE PEAK BY JULY, 1942

NEW YORK, Aug. 14 (P)—Director General William S. Knudsen of the office of production management predicted Wednesday that, if the nation's defense program hit the half-way mark by January 1, 1942, "we should hit peak production by July and after that, America can write its own ticket on war material."

"And this ticket can, as far as I am concerned, be twice what anybody else's ticket is," Knudsen added.

Greater speed in subcontracting defense orders will be required to accomplish the objective, he asserted, in an address prepared for delivery before the New York division of commerce production clinic.

"Decentralize that procedure business and let each manufacturer handle his job and his business with as little of—I could almost say—Washington as possible, and we will get it done," the OPM chief declared.

"All we need is the will to get this job done and we have one great advantage—nobody is going to bomb us much while we are doing it. I think it is too late for that. All we need . . . is to get together—stop bickering over procedure."

Knudsen praised the work of the defense contract service in attempting to bring small manufacturers into the defense program and cushion the shock of transition from civilian to defense production.

To hasten the job, he said, the armed services must agree to accept subcontracting as part of the procurement program and "it is only fair to say that in the preliminary conversations we have had . . . they have shown themselves perfectly willing to go as far as their powers permit—even to go further and ask for legal powers if required."

Fort Lewis Sends 11 Local Men to Texas, California

Word has just been received from the war department that 11 local men have been transferred from Fort Lewis, Wash., to different locations and camps in Texas and California.

Seven of the men have been sent to Camp Wolters, Texas. They are Clifford A. Dalton, Raymond G. Budden, John A. Guide, Frederick D. Hartin, Roy M. McKennie, James A. Snyder and Virgil Johnson. James R. Kufner has been assigned to the coast artillery and will be camped at Camp Wallace, Tex.

The three other men have all been transferred to Camp Roberts, Calif., and will be placed in the infantry replacement center. These three are D. V. Hunt, Harold C. Hyde and Merl M. Crawford.

Blondes Invited To State Fair

SALEM, Aug. 14 (P)—All Oregon blondes—men, women and children—were asked by the state department of agriculture today to come to the state fair September 2 for a blondes' contest.

It will be a contest to find six persons whose hair most nearly matches the color of the champion Buff Orpington hen.

by the railway labor act, the unions and the carriers spent almost two weeks trying to negotiate an agreement. These conferences ended in a deadlock Aug. 5, and the unions proceeded to poll their membership on the question of a strike. The results have not been announced.

Women Pilots May Be Used in Ferry Service

WASHINGTON, Aug. 13 (P)—Army air force officials were reported giving serious consideration today to the use of experienced women pilots in the army's airplane ferry command for flight work somewhat similar to that which women handle for the royal air force in Britain.

While no final decision has been made, it was learned that the plan contemplated would assign women pilots ferrying training planes from factories to training centers—a task which now occupies the time of regular army fliers who could otherwise be engaged in combat training.

The ferry command, under Col. Robert Olds, was created earlier this year, primarily to handle deliveries of planes destined for manufacture to ocean shipping or hop-off centers on the east coasts of the United States and Canada. Another part of the new command's job is to ferry American army planes to air fields throughout the country.

Only combat planes have to be flown for the British, but the task of ferrying ships for the United States forces includes extensive handling of trainers. Since many women fliers have had experience in piloting trainer-type ships, air force officials said women might be able to take over a large part, if not all, of this job.

Several weeks ago a questionnaire was mailed out to women pilots with a view to discovering those who have had at least 200 hours of flying and were otherwise qualified. That a goodly number would qualify was indicated by the fact that civil aeronautics authority showed that, of 2733 licensed women pilots, 263 have flown 200 hours or more.

STATE TO INVEST IN DEFENSE BONDS

SALEM, Aug. 14 (P)—The state bond commission said Tuesday it would invest \$420,000 in U. S. defense savings bonds.

Governor Charles A. Sprague, commission chairman, said the bonds are "the first security in the world today and the yield also is very attractive."

"We have a hard time now finding investments for our public funds and feel pretty good that we are able to purchase these bonds in so large an amount. We hope the fact that the state is investing trust funds in these bonds will stimulate Oregon citizens in making similar investments."

Keno

Melvin Griffith of Klamath Falls was in Keno Sunday and started Sunday school which was held at the J. A. Cates home.

Kenneth (Bud) Ramsey returned home Saturday from Oakland, Calif., where he has visited relatives for the past month.

Jimmy Smelter of Adin, Calif., is spending a week with Leonard Putnam.

Mr. and Mrs. C. C. Huskinson, Marjorie, Ross Putnam and Leonard returned Sunday from a week's vacation in southern California.

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FORT'S LIBRARY IN NEED OF BOOKS

FORT LEWIS, Aug. 14.—"Although the library here has 19,435 books, we are still badly in need of many more. Most of the copies are far out of date, and the too few technical and scientific works contain outmoded theories," Marjorie Utt, post librarian, said today.

"The library fund is too small to buy many books," she continued, "so we have to rely on gifts. Unfortunately, most people send us books they clean out of their attics."

"The men in today's army want and need the very latest. Many of them have left their professions to serve for a year or more, and while here they want to keep informed on new developments in their fields."

Western and detective fictions are favorites of the soldiers, and Zane Grey is the number one author. "If we had 50 copies of each of his books they would all be continuously circulating," Miss Utt said.

The 3500 card-holders read an average of 4000 books per month. "This is twice the circulation the library had six weeks ago, and it will increase much more during the winter months," Miss Utt explained.

Seventy-eight current magazines and eight newspapers are available in reading rooms.

LAW FORBIDS U. S. SELLING OF CROPS

WASHINGTON, Aug. 14 (P)—Congressional action was completed Wednesday on legislation forbidding the government to market any of its vast loan stocks of wheat and cotton and permitting the growing of wheat for domestic feeding without penalty this year.

The house adopted a joint senate-house conference report on a roll call vote announced as 176 to 163, and sent it to President Roosevelt. Many members said that since the agriculture department vigorously opposed the dual-purpose measure, the president might veto it.

The bill would freeze about 6,500,000 bales of cotton and 170,000,000 bushels of wheat which the Commodity Credit corporation has acquired in the government's efforts to maintain market prices of those two commodities.

Rep. Hope (R-Kas.) explained that the compromise bill would exempt from farm program penalties wheat grown for livestock or poultry or for the farmer's consumption.

NO SALE

PLYMOUTH, Ind., (P)—Farmer Russell Ellis hitched a team of young horses to show them off to a prospective buyer. The horses ran away, threw Ellis off a wagon and broke his wrist. He reported "no sales."

Mosquitoes

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Midland Empire News

Reber Solos at Rankin Academy As Flying Cadet

TULARE, Calif.—Completing the first stage at his training course in the US army air corps, Ehle H. Reber of Malin, has soloed for the first time as a flying cadet at the Rankin Aeronautical academy, Tulare, California.

The next step in Reber's nine weeks primary course will be solo practice on maneuvers known as lazy eights, Immelmans, slow rolls, spins, stalls and Chandelles.

The Rankin academy, one of the newest of the air corps training schools, is headed by J. G. "Tex" Rankin, world famous aviator who has taught more than 3500 men and women to fly without a single serious accident. Capt. Charles J. Daly, West Point graduate, is in command of the army unit at the academy.

and Mr. and Mrs. Harry Crowl. Mr. Crowl drove the high school band down in the school bus.

Mr. and Mrs. W. C. Fleming are up from California, and have visited old friends in Westside on several occasions during their stay in Lakeview.

"Teeny," a white Pomeranian belonging to Mrs. F. M. Bunyard, died Saturday. "Teeny" once had a bad experience with children, and ever afterward would have nothing to do with them.

purchased a small tract of land from the Ankeny Gardens, is building a home on the property. Dr. Vincent Held has sold his sawmill which was operated by a steam engine.

Paul Dixon who has been operating a logging truck at Langell Valley has moved his truck to Butte Falls, near Medford, where he is employed.

Read the Classified page.

Mt. Laki

The Junior Matrons circle of the Methodist church of Klamath Falls, enjoyed its annual picnic luncheon on the lawn at the Clifford Kelly home Monday afternoon.

Mrs. Mary Nixon visited at Medford Saturday.

Jerry Ambler, who recently

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Westside

Mrs. Ralph Dains, who has been very ill for several weeks, is now able to be up at least part of each day.

Mr. and Mrs. A. T. Cochran and three daughters and their families picnicked at Chandler park Sunday.

Mrs. Frank Gates and twins of Lakeview spent last Friday at the home of Mr. and Mrs. Merle O'Neil.

Mr. and Mrs. Ted Carr moved last week to the Cove ranch, where Mr. Carr will work for Burt Oliver.

Mr. and Mrs. Bob Wilson and Bud Buck report excellent catches of fish in Deep Creek the first of last week.

Among Westsiders attending the rodeo last weekend in Alturas were Mr. and Mrs. Floyd Reed and family, George Yount,

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