

CHANGES MADE IN STRUCTURE OF BIG LEVY

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high patriotism" in bearing new tax burdens.

Moving rapidly through the bill, the chamber approved an amendment increasing from 5 to 10 per cent the house tax rate on local telephone bills. The higher rate is estimated to yield an additional \$43,600,000 annually.

Metal Work Exempt

Also approved was an amendment eliminating the house tax on soft drinks, which was estimated to yield \$22,600,000 a year.

The senate voted to exempt strategic metals industries from excess profits levies and agreed to place a \$4 gallonage tax on brandy. The house figure had been \$3.75, compared with \$5 on whiskey.

The chamber approved an amendment eliminating the house-approved taxes on radio time sales. The levies, varying from 5 to 15 per cent depending upon the amount of time sold, had been estimated to raise \$12,500,000 annually.

Another house levy, taxing billboards and estimated to yield \$1,700,000, also was eliminated by the senate.

The senate accepted an amendment by Senator Byrd (D-Va.) setting up a special 14-man committee to study methods of cutting down non-defense expenditures.

An amendment reducing the house-set tax on bowling alleys from \$15 to \$10 was accepted, along with an amendment exempting men in uniform from the 10 per cent transportation tax.

The senate adjourned in mid-afternoon, to resume its work on the bill tomorrow.

Scouts to Resume Winter Activities In Next Few Days

A recapitulation of summer activity accomplishments and groundwork for winter plans were discussed Wednesday noon at a meeting of the Klamath district committee of the Boy Scouts of America Modoc area council.

C. S. Elliot presided at the session held in the Willard hotel. It was announced that virtually all local scout troops would resume regular weekly meetings within the next ten days. The first fall court of honor will be held September 17 at the Fremont school.

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Local Football Ticket Sales Booming

Ticket sales are booming for this year's high school football season and already it looks as if last year's high margin of 664 will be surpassed before the two weeks of selling elapse.

Twenty Pep Peppers from Klamath high have been the sellers and they will continue their sales campaign for this week and next. Tickets are selling for a lower per game price this year as instead of five local games there will be six. Single game tickets are priced at \$2.25. Season game tickets will be 25 cents for children, 50 cents for adults and 75 cents for reserved tickets.

Reserved seat ticket sales for the season will start next Tuesday, September 9. They will be sold at the chamber of commerce.

MAN INDICTED AS HEAD OF SPY RING

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car in a garage there, stopped at a hotel and the next morning abandoned his car to take a bus. He had purchased a bus ticket to Cle Elum. But he failed to "shake" the FBI officers, one of whom was on the bus with him.

"He arrived in Spokane by bus and tried to shake the officers who were trailing him. He was followed all over town before he registered in an obscure hotel."

The next morning he resumed his westward trip by bus and was arrested as he stepped off the bus at Cle Elum.

"Code messages used by Ludwig were written in secret solution on the back of what appeared to be innocent typewritten letters," Keith continued. "These letters were mailed to places in Spain and Portugal, among others, where the messages were deciphered."

"He sent out an amazing detail on the disbursement of our armed forces, on the departure of vessels loaded with planes bound for various parts of the world, and on the departure of other vessels loaded with munitions. In each instance he gave a description of the armaments of the vessels and of their appearance."

Five Langell Men Fined for Having Antelope Meat

Five men who live in a woods camp in the Langell valley area were fined in justice court Tuesday when they pleaded guilty to charges of possession of antelope meat during the closed season.

Justice Joseph Mahoney placed \$100 fines against Glaze Tildon Smith, Joseph Lee White, Frank Choate, Harry Orville Choate and Wes John Wright on the antelope charge. The men were working under Woods Boss Guy Wallace, and Bill Raymond is logging contractor, Judge Mahoney said.

Judge Mahoney suspended \$75 of each fine. State and federal officers cooperated in investigation of the case.

PREMIER SAYS JAPAN FACING GRAVE CRISIS

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across the Bering sea to Alaska (bearing 47 Russian airmen on what was described in Washington as a "purely technical mission") was cited by the Japan Times and Advertiser as indicating a possibility of future dangers in the north.

"Any effort to establish a system of warplane service between the American and Asiatic continents," it said, "will be viewed by authorities charged with the defense of Japan as a question of state and international importance."

Declaring that encirclement had been demonstrated in the south and west (the directions of China and Pacific interests of Britain, the Netherlands and the United States), the newspaper said Japan "cannot stand idly by while a scheme for northern encirclement is in the making."

Meanwhile, the newspaper Yomiuri carried a front-page interview in which US Rear Admiral Richmond K. Turner was quoted as saying Japan should make an expression of good will if she expected the United States to do likewise.

PAVOLKA TO HEAD AFL IN DISTRICT

Mike Pavolka, one of the founders of the Lumber and Sawmill Workers union (AFL), has been named to take over the post of chief union representative in the Klamath District council, it was announced Wednesday.

Pavolka will replace Bill Wedell, head Bend district agent who has been handling the job since Joe Boyd's transfer east over a month ago.

The new representative was one of the original members of the LSW, helping found the union in Tacoma in 1933. He is an ex-millworker and professional baseball player.

Pavolka for the past six months has been in a similar post in Westwood, Calif., where he was sent after two years as Boyd's assistant in the Klamath basin.

THREE CRIMINAL TRIALS SLATED

Three criminal trials have been set for circuit court this month.

On September 15, the case of State versus Tibbets, on a charge of rape, will be tried before Circuit Judge David R. Vandenberg and a jury.

Case of the State versus Rusk, charged with assault while armed with a dangerous weapon, is set for September 17.

On September 19, Glenn Arthur Thomas will go on trial in circuit court on a drunken driving charge. He appeared from a conviction in justice court.

TOO LATE TO CLASSIFY

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TRADE YOUR OLD SUIT, overcoat for new garments. We do altering, repairing, cleaning. Sudden service. Orres Tailor Shop, 917 East Main. 9-3

PEACHES FOR CANNING, Elberta and Hales. Bring containers. 21c a lb. C. B. French, Grand View Drive, Ashland, Ore.

1930 MODEL A FORD COUPE pick-up, V-8 wheels, 6-ply tires, \$40 cash. 125 Laguna. 9-10

WANT TO TRADE portable typewriter for good small wardrobe trunk. News-Herald Box 404. 9-8

RIVERVIEW — 4 rooms, nicely furnished. Two bedrooms. Modern. Garage. \$30. Phone 5817. 9-24

WANTED—Elderly housekeeper on ranch. Box 903, News-Herald. 9-5

YOUNG LADIES entering Interstate Business College desire to work in homes for board, room and spending money, or will do other kinds of work. Dial 6374. 432 Main. 9-3

FOR RENT—Small house. No dogs. Phone 3306. 9-3

5-ROOM TILE HOME — Near high school. Basement, furnace and hardwood floors throughout. \$2950. Terms. BARNHISEL AGENCY 112 S. 8th St. Phone 4195 9-5

Archers Urged To Sign for Sports Tourney

All archers in and around Klamath Falls Wednesday were urged to sign for the sports goods firm of Telford and McCormack at 123 North Sixth street, phone 6520, as soon as possible to register for an archery tournament at the Sports show Saturday afternoon.

Whether or not the tournament is held will depend on the response shown in the way of entries turned in, it was said.

Interest in the arrow sport, once high in the Klamath area, has flagged since then. It is hoped that a tourney at the sports show will bring archery back here.

PUBLISHER ATTENDS HEARING ON RADIO

Frank Jenkins, publisher of The Evening Herald and Klamath News, is on his way to Washington, D. C., where he will appear at a hearing before the federal communications commission on an application of The Herald Publishing company for operation of a radio station at Klamath Falls.

The hearing will be held the middle of this month. The communications commission will also consider the application of Dorman A. Schaeffer, Klamath Falls, to operate a station.

Jenkins left Monday and was accompanied by Harris Ellsworth, publisher of the Roseburg News-Review and operator of station KRNH, the News-Review's radio station.

Jenkins and Ellsworth will return the latter part of the month.

Anniversary of War Finds Allies Driven From Europe

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Hitler-Mussolini camp probably held more than 20,000,000 fighters when soviet Russia was invaded, not all these men, of course, were thrown into that conflict. Hitler's headquarters announced early in the struggle that 9,000,000 were fighting on the eastern front on both sides.

During the World War Germany mobilized 11,000,000 men and her allies Austria-Hungary, Turkey and Bulgaria a like number.

Against them were pitted more than 42,000,000 men from Russia, France, the British Empire, Italy, Japan, Rumania, Serbia, Belgium, Greece, Portugal, Montenegro and the United States in four years of war.

Two years of this war have involved Russia, France, the British Empire, Yugoslavia, Greece, Poland, Belgium, The Netherlands, Norway, Denmark and Luxembourg on one side and Germany, Italy, Rumania, Hungary, Bulgaria, and Finland on the other, plus the territories once Czechoslovakia, Austria, Albania, Estonia, Latvia and Lithuania, and Lebanon, Syria, Iraq and Iran.

It was two years ago today, too, that the liner Athenia went down in the Atlantic with the loss of 113 lives.

Since then more than 7,000,000 tons of merchant and naval vessels have gone to the bottom. Records compiled by The Associated Press show at least 18,000 persons have been killed or drowned and 9253 are missing.

Pictures Set at Hall Tonight

The "Serving Army" motion pictures of Salvation Army work in war torn London will be shown at the Army hall, 400 Klamath avenue, this evening. Other pictures shown will be sinking of the Graf Spee and a travelogue. The public is invited and a free offering will be accepted.

Looking for Bargains? Turn to the Classified page.

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COUNTERBLOWS EASE PRESSURE ON LENINGRAD

(Continued from Page One)

mand told of fighting along the entire battlefield.

One German army corps holding a middle front sector claimed to have demolished 178 tanks since Saturday.

Fierce Russian resistance, coupled with adverse weather has failed to blunt the spearhead of the Nazi drive on Leningrad, which now is within 20 miles of the city and moving steadily forward, the Germans declared. The war bulletin from Adolf Hitler's headquarters was barren of detail on the land front, reporting only that "successful fighting actions are in progress" along its whole length.

Military commentators attached great significance to reports of a smashing victory at Luga, 70 miles south of Leningrad, declaring this success had eliminated one of the major obstacles in the path of German troops trying to close a ring around the former Russian capital.

CITY BRIEFS

Postponed—The rummage sale scheduled for September 5 and 6 has been postponed until September 12 and 13. Those having rummage may call 4655 or 3638.

Card Party—The regular VFW auxiliary card party will be held in the KC hall starting at 2 p. m. Thursday with Louetta Schortgen, Mrs. Matts and Ray Myers as hostesses. The auxiliary business session will be held Thursday at 8 p. m. in the library club room.

Bicycle Stolen — City police were advised of the theft of a bicycle on September 2, by Robert Stiles of 2036 Orchard avenue.

Embassy Club Man Pays Liquor Fine

Clarence Gordy, bartender at the Embassy club, paid \$100 fine in justice court where he was taken on a charge of illegal sale of intoxicating liquor.

State and county men arrested Gordy at the night club near South Sixth street.

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Enterprise Tract Street Named

The county court Wednesday gave the name of Thomas avenue to a short lane in Enterprise tracts.

Action was taken in response to a request from Charles W. and Beverly Thomas, who said they had built a house on this lane and it needed a name.

PROMINENT RANCHER DIES HERE TUESDAY

James Alexander Thompson, 65, for the past 35 years a resident of Klamath county, died at Hillside hospital Tuesday afternoon following an illness of several months. Mr. Thompson, prominent rancher of the Midland district where he has made his home for the past 26 years, submitted to an operation December 5, in Portland, and failed to recover. He has been bedridden for the past two months, and in Hillside for more than five weeks.

Mr. Thompson was born September 17, 1875, in Huntington, Pa., son of John T. and Sarah Anne (Heffner) Thompson. His father was a pioneer of that section and his mother was a native of Germany, coming to this country as a young girl.

Early in 1897, Mr. Thompson left the east coast and moved to Colorado where he farmed, and spent three years on the early street car lines as conductor in Denver. He returned to Pennsylvania and a short time later moved to Twin Falls, Ida., where he farmed. In 1906, he moved to Klamath Falls and entered business, organizing the OK Transfer company. For a time he operated a livery stable and later went into the garage business with E. B. Henry.

For the past 26 years, Mr. Thompson has farmed on his property two and one-half miles southeast of Midland. On November 21, 1915, he was married to Rose Langer, daughter of Mr. and Mrs. Albert Langer, pioneers of Dorris, Calif. Mr. Thompson was a member of the Elks lodge, active in the Henley grange and community affairs. Funeral services will be held from the Earl Whitlock funeral home with interment in Mrs. Thompson's family plot in the Picard cemetery west of Dorris.

CARD OF THANKS
I wish to thank my friends for their kindness and floral gifts to my mother, Antonia Pospisil, during her illness.
ANNA PICKETT.

DEFENSE GIVEN RIGHT-OF-WAY IN PRODUCTION

(Continued from Page One)

and took up its task of accelerating the output of military supplies.

Mr. Roosevelt announced that still more money would be expended for defense orders—the program already tops \$50,000,000,000—with the objective of producing still more supplies and of getting two and three shifts to work in the plants.

RESERVATIONS MADE FOR FLOWER SHOW

Reservations are being made for the annual fall flower show and luncheon sponsored by the Klamath Falls Women's Library club as the opening meeting of the year and scheduled for Monday, September 8, at 1 o'clock in the Willard hotel.

Invitations are issued to all interested women and members of the club to attend the luncheon and reservations may be made with Mrs. Leo N. Huls, 5243; Mrs. Rideout, 5880; Mrs. V. J. Josephson, 6549; Mrs. D. N. Clemens, 5431; Mrs. J. Calvin Hunt, 7428; Mrs. J. I. Beard, 4880, or Mrs. Ben Gibson, 6719. Mrs. Huls is luncheon chairman.

In charge of the flower show is Mrs. Sydney Evans and women of the Klamath basin are urged to enter exhibits in flower arrangements as well as the exhibit specimen classes. With the recent rains, annuals should be in good condition and there will be a place for the various classifications when they are brought to the Willard hotel Monday morning for display.

Eagles Auxiliary—The Eagles auxiliary will meet at the Eagles hall Thursday at 8 p. m. There will be initiation of candidates and officers and team are asked to wear peach and blue formal.

CARD OF THANKS
We wish to thank our friends for their many acts of kindness and lovely floral offerings extended during our bereavement, the loss of our beloved daughter and sister.
Mr. and Mrs. Horace Hazen and Family.

Sister Visits—Mrs. Effie Ney of Omaha, Neb., is visiting her brother, George Grizzle. Mr. and Mrs. Grizzle and Mrs. Haney will go to Ashland Thursday to attend a family reunion at the home of another sister, Mrs. M. W. Wheeler.



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