

Low 1 Below
 PRECIPITATION
 Season to date 5.88
 Normal precipitation 4.21
 Last year to date 3.97



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IN THE SHASTA-CASCADE WONDERLAND

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MANILA CAPTURED BY JAPANESE

In The Day's News

By FRANK JENKINS
MANILA and its naval base of Cavite fall to the Japs. General MacArthur and his defending forces (American and Filipino) are withdrawing to the island fortress of Corregidor, at the entrance to the bay, and the mountainous Batan peninsula of which Corregidor is the southern extremity.

Japanese troops enter the undefended city.
 TOKYO reports that Japanese reconnaissance planes have returned safely from a flight "in the direction of Australia."
 The implication is that Australia, whose troops have largely been sent elsewhere, may be attacked at any time.
 (The Japs, waging a war of nerves, seek obviously to foster that idea, hoping to keep Australia's remaining forces at home.)

FROM the Dutch East Indies high command:
 "One or two warships belonging to American fighting forces cooperating with the Netherlands East Indies navy were attacked by Japanese planes in the northern part of the Indies archipelago—without suffering serious damage."
 (That locates at least a part of the U. S. Asiatic fleet.)

IN London a British "spokesman" says:
 "The British and American fleets can't be expected to operate effectively in the South Pacific until they can obtain ADEQUATE AIR SUPPORT."
 (Everything in these days, you see, hinges on planes and more planes and STILL MORE PLANES.)
 So far the Japs have the planes and we lack them.

THE British spokesman continues:
 "The Japanese may even be able to NEUTRALIZE the use of SINGAPORE as a naval base by bombing from air bases in Malaya."
 Everything finally comes back to PLANES and more and more and more of them.

The "spokesman" concludes (by way of reassurance):
 "But we must keep the long view of the Pacific situation, remembering that in the LONG RUN the allies can outbalance the Japs. The situation, however, needs careful handling at the present moment."
 IN Washington FDR tells reporters that moving airplanes and other war industries from the vulnerable southeast back into the interior is being studied.

He points out the obvious wisdom of splitting production facilities so an entire plant can't be destroyed in a single raid. He speaks of duplication of plant facilities to prevent interruption of production by enemy bombing.
 (Remember at this point how pleased we were a little while back to learn that the Russians had been moving their essential war industries back into the interior.)

EFFECTIVE immediately, sale of all new cars and trucks is stopped. The 450,000 cars on hand in salesrooms and warehouses can be bought only by the government, the lend-lease organization and essential civilian users (We don't know yet what civilians are essential, but we'll find out.)
 The purpose is to devote our WHOLE vast and efficient automobile industry to the production of war supplies.
 It is a sound purpose.

SALE of tires and tubes for civilian use has already been restricted by 90 per cent, and may be wholly stopped at any time. Rubber is a war essential.
 IF you haven't as yet adjusted yourself to the fact that your COUNTRY IS AT WAR with (Continued on Page Two)

Sale Of New Cars Banned

FACTORIES TO CEASE OUTPUT, TURN TO WAR

Military Needs May Lead to Taking Private Cars

WASHINGTON, Jan. 2 (AP)—Price administrator Leon Henderson said today that the government might eventually have to buy or commandeer private automobiles when available stocks of new cars—estimated at a maximum of 450,000 units—are exhausted.

In the face of present conditions, he told a press conference, "I can't see any passenger car production for the duration" other than about 200,000 units which the automobile industry will be allowed to complete before production finally is halted about January 31.

"Hot" Question
 Automobile rationing will begin about January 15, and about 450,000 cars now held by dealers have been "frozen." These plus the January output are the only cars which will be available to fill pressing government needs, Henderson observed.

Asked whether the government might therefore be forced into commandeering, Henderson said that this was a "hot" question which had not yet been answered even in England and Germany and that it was one of several "gloomy prospects" faced by the United States.

He said automobile rationing would be conducted along the same general lines as tire rationing but that no decision had yet been made as to whether tire rationing boards also would ration automobiles.

May Shorten War
 Sidney Hillman, associated OPM director, predicted today that complete utilization of the automobile industry's machines and men "might shorten the war by months," and declared both management and labor had unanimously recognized the need for halting civilian automobile production.

Sale of new automobiles and trucks was prohibited by a government order mobilizing the automobile industry for war production.
 Hillman disclosed that plans for the fullest and earliest possible utilization of the industry's workers and machinery would be proposed to a joint labor-management-government conference here Monday.

Representatives of labor organizations in the automobile and automobile parts industries have been invited, together with (Continued on Page Two)

Homes, Cars Freeze Up in Coldest Wave Since 1937

Burst water pipes, frozen radiators, slippery streets and blue noses figured high the second day of the New Year with sub-zero weather reported throughout the Klamath basin heavily blanketed with snow.

Temperatures ranged from 18 degrees below zero to just plain zero, according to a check with various points throughout the area. Coldest points but with unofficial reports were Gilchrist and Williamson river where mercury fell to 18 degrees below zero New Year's morning.

Zero Friday
 Thursday morning the state highway department thermometer registered 6 degrees below zero, and Tulelake reported 9 below. At Tulelake the temperature fell to 11 below on New Year's day.
 The US bureau of reclamation reported it zero at 7:30 o'clock Friday morning, New Year's day minimum officially 2 below and the maximum 14 degrees. The (Continued on Page Two)

Southern Pacific thermometer was checked at 2 below Friday morning.
 Coldest in 4 Years
 Coldest since January, 1937, said the weatherman. That year the mercury slid to 13 below and stayed at various sub-zero points for more than eight days.
 The California Oregon Power company crews worked throughout Thursday night and Friday morning attempting to help homeowners who called in for help by the "hundreds." Some 25 homes along Lakeshore drive were affected by the cold spell and there wasn't a drop of water to be had for love or money unless occupants melted snow in tea kettles and buckets. Shortly before noon Friday Copco reported the main clear after Lakeshore residents had been without water facilities since New Year's eve when the cold spell set in.
 The power company reported (Continued on Page Two)

Survey Made Of New Cars In Stock Here

Klamath Falls automobile dealers' new car stocks showed a wide variance in a survey made here Friday. Officials of several firms reported inventories of from six to eight week's supply but others said they had only a week's supply on hand.

Used car inventories revealed an average of approximately 45 days' supply. Reports were based on normal sales for January and February.

Dealers were at a unanimous loss as to what the future held regarding release of all new cars, stocks of which were frozen by an OPM order Thursday. Sale and delivery of used cars may be made at any time, however, they said.

Most dealers said they expected a further upswing in repair business in the future. A noticeable increase has already been felt, the survey indicated, due to an increased number of weather-caused accidents and war uncertainties.

A spokesman for Balsiger Motor company pointed out that prospective car rationing as well as a part shortage should make motorists more cautious. It is becoming increasingly difficult to obtain new fender and body parts, he said.

One light car dealer said he had found it necessary in the past two months to turn down some repair jobs because his shop was not big enough to cope with the increased demand. The shop is now being enlarged.
 The survey, conducted of seven of the major car dealers in the city, disclosed 98 new passenger cars, 26 trucks, and (Continued on Page Two)

Contributions Received By Red Cross in War Relief Campaign

Contributions previously acknowledged	\$4227.38
Contributions Friday	285.50
Total	\$4512.88
Klamath county woke up Friday to a new year and the responsibility of all-out aid to American armed forces and civilians caught in battle areas, and added \$285.50 to the American Red Cross war relief drive.	
More than half of Klamath's \$10,000 quota for the fund remains to be contributed, and immediate action is urged in order that relief may be sent on its way at once.	
Friday, the following contributions had been received:	
Weyerhaeuser Timber Company	\$100.00
R. R. Macartney	25.00
Gust Lampropoulos, Olympia Grocery	25.00
Mrs. W. W. McNeely	1.00
Mr. and Mrs. L. B. Emery	2.00
Mrs. A. D. Redfield	1.00
Mrs. Sophia Nelson	1.00
M. A. Stevens	1.00
A Friend	1.00
Vic and Lucille O'Neill	5.00
George Miller	1.00
Mr. and Mrs. L. L. Galloway	5.00
Balsiger Motor company	40.00
Neal Stewart	2.00
Mrs. George Hayes	10.00
L. G. Sampson	5.00
Mr. and Mrs. P. D. Schroeder	2.50
Mr. and Mrs. O. D. Matthews	5.00
Mr. and Mrs. Francis Olds	10.00
Charles Wood Eberlein	10.00
Mrs. Rufus Moore	25.00
Mr. and Mrs. C. R. Jester	2.00
Mr. and Mrs. Martin Bridge	2.00
Karin Carlson	1.00
Mr. and Mrs. Eugene Bailie	2.00
Kay Malloy	1.00

Changsha Occupied By Jap Forces in Chinese Battle

CHUNGKING, China, Jan. 2 (AP)—Japanese occupation of the northern suburbs of Changsha, Hunan province capital and silk center, was acknowledged by the Chinese today as fighting in a shifting, no-quarter battle for possession of the city raged without a pause.
 A Chinese communique said the battle in northern Hunan province was in its final stages and Chinese soldiers were fiercely resisting attacks on the outer defenses of Changsha.
 Japanese troops supported by aircraft forced their way across the Liuyang river into the suburbs yesterday, the Chinese Central news agency reported. Simultaneously, Japanese war planes attacked the heart of the city, unloading explosives from a low level and machine-gunning the streets.

WAVELL EYED TO COMMAND ALLIED FORCE

Signs Point to Plan For Attacks on Japanese

CANBERRA, Jan. 2 (AP)—The Australian Associated Press said today it was learned authoritatively that General Sir Archibald Wavell, British commander for India and Burma, would be placed in command of land, sea and air forces in the Pacific. (Presumably the press service meant command of allied forces in the Pacific since a Reuters dispatch to London from Canberra said that Australian Prime Minister John Curtin had "confirmed indirectly" that the allies were considering Wavell for such a post.)

BRITISH CAPTURE BARDIA IN LIBYA

Russians Seize Town Southwest of Moscow

CAIRO, Egypt, Jan. 2 (AP)—South African troops with fixed bayonets, rushing into battle behind powerful British tanks, have occupied the Libyan port of Bardia and killed or captured all of the 5000 axis defenders, it was announced tonight.
 The defenders numbered about 4000 Italians and 1000 Germans. About 1000 Imperial soldiers im- (Continued on Page Two)

Senate Committee Approves Bill to Control Prices

WASHINGTON, Jan. 2 (AP)—A broad-termed wartime price control measure was approved today by a senate banking subcommittee after listening to a lengthy dispute between Price Administrator Leon Henderson and Secretary of Agriculture Wickard over who should control farm prices.
 Chairman Brown (D-Mich.) said the senate group avoided a direct decision on this dispute by giving President Roosevelt authority to shift powers among existing government agencies.
 The full banking committee will meet later this afternoon to complete the draft of legislation intended to stabilize prices as part of the all-out war production effort.
 Brown said that the measure was a "much stronger bill" than one passed by the house before the outbreak of war.

Guns That Man Corregidor



Top, member of gun crew gets firing data. Bottom, one of the heavy mortars in emplacement on Corregidor island, at entrance to Manila bay. These photographs were made before the outbreak of war with Japan by Paramount News.

Lines Reform in Luzon



Arrows above (1) indicate directions of Jap drive on Manila that forced American forces to withdraw from south of the city and allow Japs to enter. General MacArthur's forces were reported to have been consolidated north and west of Manila, around the peninsula north of Corregidor island (near 3).

U. S. Aiding Dutch Fleet, Batavia Says

BATAVIA, N. E. I., Jan. 2 (AP)—Units of the United States fleet have joined the Dutch navy in defense of the widespread East Indies archipelago.
 The official disclosure came in today's communique from the Dutch high command, which reported that "one of the warships belonging to the American forces which are cooperating with the Netherlands navy in the defense of these regions" had been attacked—without suffering "serious damage"—by Japanese planes in the northern part of the islands.
 An official communique said that in the same area Japanese aircraft also attacked two U. S. planes. The American planes were not damaged.

FLEETS WARY OF JAP AIR POWER

LONDON, Jan. 2 (AP)—A British spokesman declared today that British and American fleets cannot be expected to operate effectively in the South Pacific until they can obtain adequate air support.
 "Without an 'umbrella' of protecting planes from carriers or land bases," the spokesman said, "warships would be at the mercy of Japanese aircraft from dozens of bases in the Philippines, Indonesia and Malaya."
 He asserted the Japanese might even be able to neutralize the use of Singapore as a naval base by bombing from air bases in Malaya.
 "However," he said, "we must keep the long view of the Pacific situation, remembering that in the long run the allies can outbalance the Japs."
 "But the situation needs careful handling at the present moment."

Oregon's Tire Quotas Fixed; Boards Named

SALEM, Jan. 2 (AP)—Tire and tube quotas for Oregon counties during January were announced today by Governor Charles A. Sprague. Rationing will begin January 5, but no tires or tubes will be allowed for private use.
 The state's quota for passenger cars, motorcycles and light trucks is 1546 tires and 1294 tubes, while for trucks and buses it is 3209 tires and 2683 tubes.
 In each county, the tube quota is about 20 per cent below the tire quota.
 The Klamath county tire quota was set at 64 for passenger cars, trucks and motorcycles, and 150 for trucks and buses. The Lake county figures were 9 and 34, respectively.

26 Nations Sign Pledge Against Axis in Conflict

WASHINGTON, Jan. 2 (AP)—Twenty-six nations of the new and old worlds have formally pledged themselves, the White House announced today, to employ their full resources against the axis powers, and to enter into no separate armistice or peace.
 The announcement of the pact was made simultaneously here and the capitals of the other countries concerned.
 The others are:
 The United Kingdom of Great Britain and Northern Ireland, Russia, China, Australia, Belgium, Canada, Costa Rica, Cuba, Czechoslovakia, the Dominion Republic, El Salvador, Greece, Guatemala, Haiti, Honduras, India, Luxembourg, The Netherlands, New Zealand, Nicaragua, Norway, Panama, Poland, South Africa, and Yugoslavia.
 President Roosevelt signed for the United States and Prime Minister Winston Churchill for Great Britain.

News Index

Church News	Page 6
City Briefs	Page 5
Comics and Story	Page 10
Editorials	Page 4
Information	Page 5
Market, Financial	Page 9
Midland Empire News	Page 6
Pattern	Page 4
Sports	Page 8

FIGHT GOES ON AS U. S. FORCE CONSOLIDATED

Corregidor Base Seen As Strong Point For Resistance

WASHINGTON, Jan. 2 (AP)—The war department said in a late day communique that American and Philippine troops north and northwest of Manila were continuing stubborn resistance against Japanese attacks following the loss of the Philippine capital.
 The attacks were said to be pressed with increasing intensity.
 The communique, based on military reports received from the islands up until 2 p. m. P. S. T. consisted of fewer than 40 words and shed no further light on the position of General Douglas MacArthur's forces or their intentions following the withdrawal from Manila and the evacuation of the nearby naval base of Cavite.

By the Associated Press

Japan's invasion armies captured Manila today and the US naval base at Cavite has been evacuated, the government announced, while a Tokyo broadcast asserted that Gen. Douglas MacArthur's defense forces had fallen back to Corregidor island and to Batan peninsula for a "last stand."
 A war department communique, however, indicated that American and Filipino troops were still fiercely battling the invaders north and south of Manila.

Tactical Stroke

The communique declared that Gen. MacArthur's brilliant tactical maneuver in shortening his lines, permitting the Japanese to take the Philippine capital, would enable him to strike harder, co-ordinated blows at the enemy than if he had elected to defend the city.
 Domei, the Japanese news agency, said Gen. MacArthur himself had moved to the heavily-armed Corregidor fortress, whose 12-inch guns and bristling anti-aircraft batteries make it a powerful defense bastion.

Cavite Evacuated

The navy said Cavite naval base, 10 miles southwest of Manila on Manila bay, was evacuated before the Japanese entered the capital.
 Gen. MacArthur's bold stroke in unting his armies, which had been fighting separately north and south of Manila, along with the consequent shortening of US (Continued on Page Two)