

BIGGEST WAR BUDGET GIVEN TO CONGRESS

(Continued From Page One)
of the purposes of the reconstruction finance corporation and other non-budgetary agencies for war purposes.
\$9 Billion
The treasury budget called for total expenditures of \$59,027,992,300 in the fiscal year beginning next July 1. This included the huge war item plus \$1,750,000,000 for interest on the public debt, and reduced allotments for work relief, farm aid, governmental running expenses and other non-military costs.

COURT OPENS BIDS ON COUNTY NEEDS

The county court Wednesday opened bids for 1942 on various services and supplies for county use.
Gas was split 50-50 for the year between the Richfield Oil company and the Shell company, at 14.72 cents per gallon of standard grade gas.
Balsiger Motor company was awarded the contract for Diesel oil at 7 1/2 cents a gallon, which court members said was half a cent under other bids. Crude oil contract was awarded on an even basis to Peyton's and Heilbronner's.

Italy Doubts U. S. Ability in Note On F. R.'s Talk

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would come too late because of military events which are about to occur.
A German radio commentator said "Roosevelt had enriched his arsenal of phrases by the quotation 'The world is too small to provide sufficient living room for Hitler and God.' Obviously Roosevelt believes there is sufficient space for him to rule as God's governor with the universe as his final goal."
London headline writers, editorial writers, cartoonists and columnists joined to impress upon the British the magnitude of the United States war effort.

Army Plane Lost In Coast Flight

SACRAMENTO, Calif., Jan. 7 (AP)—An army reconnaissance plane bound from Tacoma, Wash., to McClellan field here, has failed to reach Sacramento, and officers at the field said it was "out of gas somewhere."
The ship, outfitted for aerial photography, was due about noon yesterday. It was not learned whether any airman other than the pilot, known as Stockwell, were aboard.

TOO LATE TO CLASSIFY

INTERSTATE BUSINESS COLLEGE invites you to join new CIVIL SERVICE and business classes being organized this week. 432 Main. 1-7
NEWLY FINISHED two-bedroom house. Ready to move into. Telephone 4481, noon or evenings. 1-13
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FOR RENT — Housekeeping rooms. Close in. \$2.00 week; also board. Phone 7058. 1-9
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WISH TO LEAVE to take up government defense work. My stock for sale and Armory Fountain for rent. R. L. Hessig. Phone 4540. 1-7
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YOUNG LADY attending Interstate Business College desires to work in home for board, room and spending money. Dial 6374. 1-7
OIL TO BURN — For Union heating oils, phone 8404, Klamath Oil Co., 615 Klamath. 1-31mtf

OBITUARY

ELMER LEROY WOOD
Elmer Leroy Wood, a resident of this city for 18 years, passed away in Sacramento, California on Sunday, January 4. The deceased was a native of Shannon county, Missouri, and was aged 54 years 6 months and 10 days when called. He is survived by his parents, Mr. and Mrs. H. L. Wood of this city; six brothers, Ernest of Houston, Texas, Harry, Clarence, Robert, George and Dan, all of this city. The remains rest in Ward's Klamath Funeral Home, 925 High street, where friends may call. Notice of the funeral arrangements will be announced later.

CHARLES FRANCIS CLARK

Charles Francis Clark, for the last 23 years a resident of Klamath county, Oregon, passed away in this city Wednesday, January 7, 1942, at 3 a. m., following an illness of three weeks. He was a native of Jacksonville, Oregon, and at the time of his death was aged 78 years two months and 18 days. The remains rest in the Earl Whitlock Funeral Home, Pine street at Sixth. Notice of funeral to be announced at a later date.

Editorials on News

(Continued From Page One)
and let the Russians do our fighting.)

INTERESTING today:

Laurence Steinhardt, U. S. ambassador to Russia, has been TRANSFERRED to Turkey. Turkey appears to blow hot or cold, depending on how the battle of Russia is going at the moment. Steinhardt's job will be to convince the Turks that the Russians are sure to win.

A NEW name takes shape in today's dispatches.

It is "United Nations," and applies to the nations banded together against the axis. In World War I it was allies vs. central powers. It now seems to be united nations vs. axis.

ROOSEVELT estimated there would be \$16,487,200,000 of taxes from existing tax laws, asked \$7,000,000,000 of new general taxes (not counting increased social security taxes, which do not count as revenues,) and proposed borrowing of \$35,540,792,000 from social security and other government trust funds and from the public.

In the current fiscal year, he figured, treasury expenses would total \$30,675,754,162, including \$23,996,525,400 for defense, and calculated that taxes would yield \$11,943,993,000, leaving a deficit of \$18,731,803,162 to be covered by borrowing.

This meant that the World War spending peak of \$18,522,000,000 will be passed this fiscal year and approximately tripled next year.

Tax Program

The president asked congress for an initial appropriation of \$13,600,000,000 to get the huge new war program under way, and said he would ask for additional large amounts as the nation moved toward maximum war production.

In his tax program, the president asked for approximately \$2,000,000,000 of added social security taxes plus \$7,000,000,000 of income, excess profits, estate and gift, and excise taxes. He approved of almost any kind of new taxes except a general sales tax—and he indicated that even that type of levy later might become necessary on a temporary basis.

Saying that taxes were important not only to finance the war but also to prevent inflation, he asserted, "any tax is better than an uncontrolled price rise."

The president, however, offered a little bright news to the general public, too.

He said the nation's productive resources were enough in spite of diversions to war output to enable the people "to maintain a standard of living more than adequate to support the health and productivity of our people. . . . I do not at present propose general consumer ration cards."

While automobile tires are already rationed, he explained that "there are not as yet scarcities in the necessities of life which make such a step (general rationing) imperative."

Non-military agencies of the government, the president said, will be cut more than \$1,000,000,000 in their next year's budgets. He predicted work relief costs would go down from \$942,430,000 this fiscal year to \$480,075,000 next year; that farm aid would decline from \$1,117,082,000 to \$854,050,000; that aid to youth costs (CCC and NYA) would fall from \$235,000,000 to \$100,000,000, and cited other savings on administrative expenses of other agencies and public works.

Roads not needed for defense, postoffices, and other public works considered non-essential would get no money, he said, unless they were already under construction. He said he hoped congress would skip its usual blanket road-building grants to states.

DAVAO ATTACK SEEN POINTED AT RICH AREA

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oil would be one of the richest prizes in the Far East.
Big Convoy
A U. S. war department communication disclosed that Japanese naval units massed in Davao bay included a battleship, five cruisers, six destroyers, 12 submarines and 12 transports—obviously a greater force than would be needed merely to support new landing operations in the Philippines.
Davao, at the southern tip of the Philippines, lies 600 miles below the Manila fighting sector where Gen. Douglas MacArthur's heroic defenders were reported still holding the Japanese at bay on the approaches to Batan peninsula.

Forces Standing

Today's war department bulletin said Gen. MacArthur's troops were withstanding continuous bombing and machine-gunning attacks on their right front northwest of Manila, with the Japanese increasing their pressure amid heavy fighting.
The bulletin said at least 45 Japanese bombers again rained explosives on the U. S. island fortress of Corregidor and on defenses in nearby Batan province, attacking for several hours.
U. S. anti-aircraft gunners were credited with several hits in peppering the raiders.
Further supporting the belief that Japan's war lords planned an attack on the Dutch colonies—possibly as a stepping-stone to Australia—is the report that Gen. Sir Archibald P. Wavel, newly appointed allied commander in chief in the Far East, would make his headquarters in Java, where the Indies capital, Batavia, is situated.
At the same time, Lieut.-Gov. H. J. Van Mook disclosed that the Dutch have long been preparing a "scorched earth" plan to prevent the Indies' oil fields and industries from falling into Japanese hands.

FUNERAL

JOHN EDWARD BODGE
Funeral services for the late John Edward Bodge, who passed away in this city Monday, January 5, 1942, following a brief illness, will be held in the chapel of the Earl Whitlock Funeral Home, Pine street at Sixth, on Thursday, January 8, at 3 p. m., under the auspices of Klamath Falls lodge No. 1247 BPOE of which he was long a member. Remains will be sent to the Portland Crematorium. Friends are invited.

Has Operation—Wayne Neubert, 6-year-old son of Mr. and Mrs. Will Neubert of Olene, submitted to major surgery at Klamath Valley hospital Wednesday.

CARD OF THANKS

We wish to express our sincere thanks to all our friends and neighbors who helped us to save our home from burning. Charles and Dorothy Johnson.

Added Caution Advised for Winter Driving; Rules for Motorists Given By Police

Wintery blasts with accompanying snow and ice usually hit most cities in December, but the full effect of "Old Man Winter" on traffic and public safety will be felt this new year in January and February, Assistant Chief of Police Earl Heuvel declared today.
In some communities, he pointed out, January, February and March traffic even may increase over previous summer highs—at a time when major hazards, slippery snow and ice along with reduced visibility, are at their worst. During December of 1941 in Klamath Falls there were 202 accidents, six persons injured and one killed. The greater majority of these accidents were due to wintery conditions.
"In line with rules recommended earlier this winter by the war department and the International Association of Chiefs of Police to minimize traffic tie-ups and accidents costly to the nation's war offensive, public cooperation is requested when dangerous conditions prevail," said Assistant Chief of Police Earl Heuvel.
"When hazardous conditions arrive, and while they do exist during and immediately after snow or sleet storms, patriotic drivers must cooperate to conserve cars by driving at slower rate of speed, maintaining adequate vision with windshield wipers, defrosters and vitally necessary stop and go traction with tire chains—or else don't drive," the chief declared.
The following logical precautions, based on exhaustive research by the national safety council's committee on winter driving hazards, now become necessary when conditions warrant. These conditions are warranted in Klamath Falls at the present time.
Skids on snow or ice are frequently started by unequalized brakes. Be sure your brakes are equalized. The practice of letting air out of tires for snow and ice conditions does not provide sufficient traction and increases instability and tendency to skid on curves. It also breaks down tires fast, making them susceptible to blowouts.
Without chains even the best tire treads slip and slide on snow or ice. Tire chains bite into hard-packed snow or icy road surface. Check your anti-skid chains. Put them on for more positive stop and go traction when packed snow or ice prevails.
Windshield wipers and defrosters that don't operate lead to winter accidents. Make sure wipers and defrosters are in good working order. You must see a hazard to avoid it.
Faulty headlights are causes of winter accidents. Replace dead light bulbs immediately. Have your headlights checked for focus and direction. Use "traffic beams" in city or when passing other cars.
High speeds on snow or ice are more than doubly dangerous. It takes three to 11 times normal distance to stop on snow or ice. Adjust your speed to conditions. Even when protected with chains, speeds should be reduced from those considered reasonable on dry pavements. Keep an eye out for children on sleds. Approach icy curves slowly even with sand on ice or chains on tires. If neither are present—"crawl." Avoid the necessity for sudden stops on snow or ice if you have neglected to put on chains.
Crowding other vehicles ahead of you or at your side is criminal carelessness on snow covered pavement. Maintain plenty of stopping space between your car and the car in front of you. Allow all the "skid space" possible between your fenders and the cars on each side. Don't try to pass cars on hills or curves. This is risky enough on dry pavements. It is foolhardy on snow or ice.
Sudden slowdowns and stops are a primary cause of sliding, skidding and spinning. Slow down gradually in gear and "pump" brakes on-off-and-on to

TRIALS SET ON LIQUOR CHARGES

Trial dates were set Tuesday in Justice Joseph A. Mahoney's court for four local night-spot operators arrested in mid-December on a charge of unlawful liquor sale. All the defendants have been out on bail since the arrests.
Trial of Donald Buck was set for 10 a. m. Monday; John Kandra, proprietor of El Padre at the Merrill-Lakeview highway, for 10 a. m. Tuesday; Chet Young of the Swing club on highway 66, for 10 a. m. Wednesday; Kandra, who was named in two complaints, for 10 a. m. Thursday; and Orville Sutton, also of El Padre, for 10 a. m. Friday.

LUMBERMEN BID ON ARMY CONTRACTS

SEATTLE, Jan. 7 (AP)—Lumber manufacturers and wholesalers from the Pacific northwest, principally from Washington and Oregon, took part today in the largest lumber auction ever held in this region.
The occasion was the purchase of 250,000,000 feet of lumber by the United States engineers for the construction of additional army cantonments.
More than 160 registered bidders participated. Bids were submitted on slips of paper and were gathered up after each lot was announced.
Successful bidders were not announced.

Geary Postpones Talk Scheduled At Malin Grange

A talk scheduled before the Malin grange on January 12 by Arthur M. Geary has been postponed indefinitely, it was announced Wednesday by May Taylor, lecturer of the Malin grange. Mrs. Taylor said that Geary had been called to Chicago and Washington to testify at ICC hearings as representative of the farm rates council, in opposition to a proposed 10 per cent increase in freight rates.
Postponement of the talk, she said, is disappointing to grangers all over the county. She said it is hoped that Geary can speak later to the grange.

SEALED OFF WALKS ORDERED BY POLICE

City police issued a final warning to property owners and occupants who have permitted snow and ice to remain on sidewalks adjacent to their property. Assistant Chief of Police Earl Heuvel stated Wednesday that persons neglecting to clean walks in the business section would be liable to fine according to the city ordinance.
Chief reason for removing ice and snow is the existing hazard to pedestrians. There have been several injuries in the business district as the result of a coating of ice and snow on the sidewalks. Patrolmen were checking store owners both Wednesday and Thursday.

LOG ROLLS OVER WORKER AT KENO

Walter Layton, 33, Keno, suffered injuries to his back early Tuesday afternoon when a log rolled over him while working near Keno with the Bill Raymond logging operations.
Layton's injuries were not considered serious, Klamath Valley hospital attendants stated.

NAZIS OUSTED FROM CENTRAL FRONT TOWNS

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reported that Russian troops had penetrated Finnish lines on the east front north of Lake Onega—a different sector—and that the red army offensive was continuing there.
Sea Attack
Sea-borne Russian troops, striking back into the Crimea at many points, were reported tightening a trap around Adolf Hitler's siege armies at Sevastopol today, while on the central front, retreating nazif forces were said to have left 10,000 dead on the battlefield and yielded 572 towns in five days.
At the same time, the Germans acknowledged a heavy soviet push in the Donets River valley of the Ukraine against the industrial city of Kharkov, Russia's "Pittsburgh."
A bulletin from Hitler's field headquarters asserted that Russian troops who landed from barges at Yevpatoriya, on the west Crimean coast 40 miles north of Sevastopol, had been wiped out "in brisk house-to-house fighting."
Countering the German version, a London radio broadcast reported that the Russians had established a beachhead, that "heavy fighting is going on along the shore" at Yevpatoriya.

Beaver Football Team to Pass Through Tonight

The victorious Oregon State Beaver football team, homework bound after their Rose Bowl victory over Duke's Blue Devils at Durham, N. C., on New Year's day, will halt briefly in Klamath Falls at 9:55 tonight.
The team, aboard a northbound Southern Pacific train, is due to arrive in Corvallis Thursday morning where a victory celebration has been planned by Oregon State college and townspeople.
It was expected that a number of Oregon State grads and friends would be on hand at the Klamath depot tonight.

FOSTER HOMES UP AT WELFARE MEET

Klamath's public welfare commission Tuesday heard a detailed report on foster homes for children in the county. Plans are being considered, according to a previous announcement from the state welfare commission, to use such homes in case of wartime evacuation of children.
Need was voiced at the meeting for additional foster homes in Klamath county. At present, there are 15 such homes boarding 22 children, and it was requested that persons interested contact the local welfare commission. Foster homes, according to the Oregon boarding home law amended in 1941, are those which maintain children under the age of 18 years who are unattended by a parent or guardian. All such homes must hold a certificate of approval from the state public welfare commission.
A \$15,335 February budget was approved at the meeting. This figure includes \$4500 for general assistance, \$5960 for old age security, \$1550 for aid to dependent children and \$50 for aid to the blind.

Price Control Held Necessary To Halt Rise

(Continued from Page One)
overall control of prices to a hard-boiled, hard-hitting, unafraid price administrator," he continued, "we can do more than by any tax bill we could write in preventing exorbitant profits out of war."
Brown said that the chief sufferer from rising prices would be the government, "which is the greatest consumer of all."
Explaining the functioning of the bill, Brown said it would establish a general parity between prices based on the period from Oct. 1 to 15, 1941.
Senator Brown (D-Mich.), floor manager for the price control bill, said after a White House conference that the president favored a single administrator to curb the prices of all commodities, including farm products.
Read the Classified page

ALIENS GET TIME TO TURN IN GUNS

(Continued From Page One)
eral cameras" which have been turned over.
The extension was ordered to give aliens additional opportunity to take prohibited articles to law enforcement agencies. A presidential proclamation, made December 7 and 8, prohibits possession of firearms, weapons or implements of war or parts, ammunition, bombs, explosives or material used in the manufacture of explosives, shortwave receiving sets, transmitting sets, signal devices and cameras.

To Portland—Lawrence Slater left Monday night for Portland to be with Mrs. Slater who is a patient in Emmanuel hospital.

25 TOWER NEW TODAY! PHANTOM RAIDERS

DRYDOUG ON LAND. DEATH AT SEA!
Teaching and exciting mystery of ships that sink in the night
"PHANTOM RAIDERS"
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Featuring Walter Pidgeon, John Carrall, Joe Schildman, Florence Rice, Donald Mack as NESS Prince
See it Tonight at 1:15 and 7:15
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Toward 8:15 and 10:15
Plus! AIRMAIL EDITION!
Universal News Flashed "Sport Parade"
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Shows at 2:00
7:00 - 9:00
Feature at 2:43
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The Greatest Musical Entertainment Since the Blues Were Born!
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