

One 5-minute blast on sirens and whistles is the signal for a blackout in Klamath Falls. Another long blast, during a blackout, is a signal for all-clear. In precautionary periods, watch your street lights.

July 24—High 97, Low 64
Precipitation as of July 19, 1942
Last year 13.82
Normal 11.97
Stream year to date 13.17

NAZIS GAIN FOOTHOLD ACROSS DON

Five Jap Ships Sunk

In The Day's News

NAVY TELLS OF ACTION IN WEST PACIFIC

Report Raises Total Of Japanese Ships Sunk to 55

WASHINGTON, July 25 (AP)—The navy announced today that United States submarines operating in the western Pacific had reported sinking five Japanese ships, including one modern destroyer, and damaging and possibly sinking a sixth vessel.

The submarine activities were reported in navy department communique No. 11, which said: "Far East: "1—U. S. submarines have reported the following results of operations in far western waters: "(A) One modern Japanese destroyer sunk. "(B) One medium sized tanker sunk. "(C) Three cargo ships sunk. "(D) One medium sized cargo ship damaged and believed sunk.

Coffee Demands Forces Be Sent To Aleutians

WASHINGTON, July 25 (AP)—Men, and not air attacks alone, must be used if the Japanese are to be ousted from the Aleutian Islands, Representative Coffee (D-Wash.) told the house.

US Exchangees Describe Jap Treatment of Aliens

LOURENCO MARQUES, Portuguese East Africa, July 23 (delayed)—(AP)—The first diplomatic transfer of nationals between the United States and Japan since the start of the Pacific war was completed here today when more than 1100 North and South Americans boarded the Swedish liner Gripsholm to take the places vacated by Japanese diplomats and their families brought from America.

West Atlantic U-Boat Toll Nears 400 Mark

By The Associated Press The toll taken by U-boats in the western Atlantic neared the 400 mark today with the navy announcement of the sinking of a medium-sized U. S. merchant vessel 809 miles off the coast July 16.

PLANE MAKES CRASH LANDING

Navy Amphibian Flips Into Pasture West Of City

A navy amphibian plane flipped into Dick Breitenstein's pasture five miles west of here about 6 p. m. Friday. The pilot, Ensign U. E. Coulson, and a seaman passenger, were virtually unhurt as they climbed from the overturned plane after it snapped off a power line in a forced landing.

Baseball

NATIONAL LEAGUE R. H. E. Pittsburgh 4 7 1 Brooklyn 1 6 2 Gornicki and Lopez; Davis, Head (6), Rowe (8) and Owen, Sullivan (8).

Baseball

NATIONAL LEAGUE R. H. E. Cincinnati 8 13 1 New York 6 13 4 Thompson, Beggs (8) and Lammanno; Lohman, McGee (7), Koslo (8), Adams (9) and Danning.

Baseball

NATIONAL LEAGUE R. H. E. St. Louis 6 10 2 Boston 3 10 0 Krist, Gumbert (9) and Cooper; Tost, Donovan (6), Hutchings (8), and Lombardi, Kluttz (6).

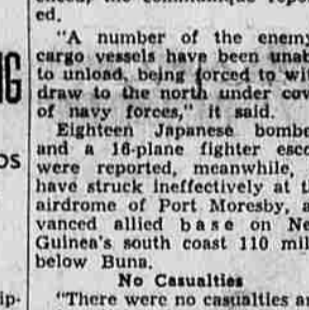
Baseball

MUSOLINI IN LIBYA LONDON, July 25 (AP)—Reuters, British news agency, quoting a Stefani (Italian official news agency) dispatch said today Premier Mussolini had been in Libya since June 29. That was the date of the fall of Matruh, Egypt, railroad of the line to Alexandria.

ALLIES BREAK UP LANDINGS IN NEW GUINEA

GENERAL MACARTHUR'S HEADQUARTERS, AUSTRAIA, July 25 (AP)—Steady allied dive-bombing has broken off the landing of Japanese supplies in the newly occupied Buna-Gona area of New Guinea and several fully loaded enemy vessels have withdrawn northward under naval escort, a communique announced today.

Recruits for the War Effort



They're cutting down more of the old pine trees than ever before in the Klamath country as the lumber industry goes all out for the war effort.

Klamath Lumber Production Tops 800 Million Feet and Most of It's for War Use

By BOB LEONARD Our guess is that Mr. Lyle F. Watts is considerably torn between conservationists' pride and necessary patriotism. You will recall it was lanky Mr. Watts in his capacity as northwest regional forester for the U. S. national forest service who in effect asked Klamath lumbermen to take it easy on our timber, please, 14 months ago.

Baseball

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Request for Cost Control Held Unlikely

WASHINGTON, July 25 (AP)—As house members prepared today to start indefinite, informal vacations, President Roosevelt was reported to have reached the conclusion that he could take steps to curb inflation without additional legislation.

Request for Cost Control Held Unlikely

Therefore, they said, they could return to their homes or take a vacation for a few weeks since the calendars were cleared of all business and no important new proposals were in sight. It was assumed that the president had found, after a careful survey, that he had adequate authority under his powers as commander-in-chief in time of war and under authority of the price control and war powers acts to deal with any such situation as it might develop.

Request for Cost Control Held Unlikely

There was a tacit understanding in the house that no official business of consequence would be transacted for many days, or perhaps weeks. When questions about the house "program" for next week were asked in the chamber yesterday, Speaker Rayburn observed with a smile: "There is nothing in sight in the future on the program."

Request for Cost Control Held Unlikely

WASHINGTON, July 25 (AP)—The reported steel shortage today was declared a matter of "faultry inventory control" by members of a house merchant marine subcommittee investigating circumstances surrounding government orders halting construction of the gigantic Higgins shipbuilding project at New Orleans.

Request for Cost Control Held Unlikely

The assertion was made in a joint statement by Representatives Boykin (D-Ala.), chairman of the subcommittee, and Culin (R-N. Y.), after a long closed session in which Dr. Mordecai Ezekiel, government economist at present connected with the war production board, testified as to steel stocks in the country.

Request for Cost Control Held Unlikely

Boykin declared that while shortages of steel had occurred in some shipbuilding yards, there was an abnormally large supply in others. He contended in the statement, issued orally (Continued on Page Two)

Request for Cost Control Held Unlikely

Premier Predicts Another Attack on Dutch Harbor TORONTO, July 25 (Canadian Press)—Another attack on Dutch Harbor, Alaska, blazing the way for long-range bombers to strike at U. S. production centers on the Pacific coast and a considerable distance inland may be Japan's next major move, Premier Mitchell Hepburn of Ontario believes.

Request for Cost Control Held Unlikely

"Of course I'm a pessimist," he told reporters yesterday, "but I say that we are living in a fool's paradise. It is only absolute fear that will awaken the people to a realization of what they must face in the mediate future. "The situation in Canada today is a perfect parallel of that in France in 1940 when the people didn't awaken to the danger until the Germans had crossed the Meuse."

AXIS DIGS IN ON SOUTH BANK OF VITAL RIVER

RAF Cuts Swath in Rommel Air Power; Land Front Static By CLYDE A. FARNSWORTH Associated Press War Editor After four weeks of their major offensive action for 1942, the Germans have gained a foothold on the southern, or deep Caucasus, side of the lower Don river—a strategic line on which Russian forces have taken a stand to shield their southern contact with the allied world.

Request for Cost Control Held Unlikely

United States bombers had become a powerful bulwark of the red air force in the battle of the Caucasus. An American source at Moscow said that Douglas Bostons, twin-engine medium bombers from America, were participating in the red air force's hammering of German armored columns on the Don steppes.

Request for Cost Control Held Unlikely

Presumably the planes were flown by Russians although the Moscow dispatch did not specifically say so. There have been previous reports of U. S. planes being flown to the Don front, and going directly into action. The U. S. army has a strong air force in the middle east, and presumably this command sent the planes.

Request for Cost Control Held Unlikely

Battle of Egypt Official sources at Cairo said that in seven daylight operations of the past week the American fliers had caused heavy damage to port installations and shipping at Tobruk and Bengasi, in Libya, and at Suda bay, Crete, an axis troop concentration point in the Mediterranean.

Request for Cost Control Held Unlikely

At the Egyptian end of the middle east lifeline, the RAF had cut drastically deeper into axis air power, having shot up more than 30 planes in yesterday's strafing and air combat. The El Alamein land front was static.

Request for Cost Control Held Unlikely

The Italian high command said that its submarines had sunk a troop-laden transport and a 5000-ton merchantman in the eastern Mediterranean while (Continued on Page Two)

Request for Cost Control Held Unlikely

Taft Forecasts "No" Vote on Payroll Levy By JACK BELL WASHINGTON, July 25 (AP)—Sen. Taft (R. O.) forecast today that the senate finance committee would strike from the house-approved tax bill a proposal to collect individual income taxes by installment deductions from the pay envelopes of the nation's workers.

Request for Cost Control Held Unlikely

The senator, who has opposed this section of the new \$8,271,000,000 tax bill, said that while he had made no canvass of committee sentiment, he believed a majority of members was inclined to vote against the proposal because of the steep increase it would bring in the collection of taxes from individuals in 1943.

Request for Cost Control Held Unlikely

The projected collection levy, which would go into effect next January 1, would provide for the deduction by employers of 5 per cent—less some exceptions—of the periodic pay check of approximately 30,000,000 persons who work for wages. The deductions also would apply to dividends and interest payment. The individual ultimately would pay out no more, since the amount collected in advance would be credited against his regular income tax liability, but during 1943 his tax bill would (Continued on Page Two)

Request for Cost Control Held Unlikely

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